

111TH CONGRESS
1ST SESSION

S. 896

AN ACT

To prevent mortgage foreclosures and enhance mortgage
credit availability.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Helping Families Save Their Homes Act of 2009”.

4 (b) TABLE OF CONTENTS.—The table of contents of
5 this Act is the following:

Sec. 1. Short title; table of contents.

TITLE I—PREVENTION OF MORTGAGE FORECLOSURES

Sec. 101. Guaranteed rural housing loans.

Sec. 102. Modification of housing loans guaranteed by the Department of Veterans Affairs.

Sec. 103. Additional funding for HUD programs to assist individuals to better withstand the current mortgage crisis.

Sec. 104. Mortgage modification data collecting and reporting.

Sec. 105. Neighborhood Stabilization Program Refinements.

TITLE II—FORECLOSURE MITIGATION AND CREDIT AVAILABILITY

Sec. 201. Servicer safe harbor for mortgage loan modifications.

Sec. 202. Changes to HOPE for Homeowners Program.

Sec. 203. Requirements for FHA-approved mortgagees.

Sec. 204. Enhancement of liquidity and stability of insured depository institutions to ensure availability of credit and reduction of foreclosures.

Sec. 205. Application of GSE conforming loan limit to mortgages assisted with TARP funds.

Sec. 206. Mortgages on certain homes on leased land.

Sec. 207. Sense of Congress regarding mortgage revenue bond purchases.

TITLE III—MORTGAGE FRAUD TASK FORCE

Sec. 301. Sense of the Congress on establishment of a Nationwide Mortgage Fraud Task Force.

TITLE IV—FORECLOSURE MORATORIUM PROVISIONS

Sec. 401. Sense of the Congress on foreclosures.

Sec. 402. Public-Private Investment Program; Additional Appropriations for the Special Inspector General for the Troubled Asset Relief Program.

Sec. 403. Removal of requirement to liquidate warrants under the TARP.

Sec. 404. Notification of sale or transfer of mortgage loans.

TITLE V—FARM LOAN RESTRUCTURING

Sec. 501. Congressional Oversight Panel special report.

TITLE VI—ENHANCED OVERSIGHT OF THE TROUBLED ASSET RELIEF PROGRAM

Sec. 601. Enhanced oversight of the Troubled Asset Relief Program.

TITLE VII—PROTECTING TENANTS AT FORECLOSURE ACT

Sec. 701. Short title.

Sec. 702. Effect of foreclosure on preexisting tenancy.

Sec. 703. Effect of foreclosure on section 8 tenancies.

Sec. 704. Sunset.

TITLE VIII—COMPTROLLER GENERAL ADDITIONAL AUDIT AUTHORITIES

Sec. 801. Comptroller General additional audit authorities.

1 **TITLE I—PREVENTION OF** 2 **MORTGAGE FORECLOSURES**

3 **SEC. 101. GUARANTEED RURAL HOUSING LOANS.**

4 (a) GUARANTEED RURAL HOUSING LOANS.—Section
5 502(h) of the Housing Act of 1949 (42 U.S.C. 1472(h))
6 is amended—

7 (1) by redesignating paragraphs (13) and (14)
8 as paragraphs (16) and (17), respectively; and

9 (2) by inserting after paragraph (12) the fol-
10 lowing new paragraphs:

11 “(13) LOSS MITIGATION.—Upon default or im-
12 minent default of any mortgage guaranteed under
13 this subsection, mortgagees shall engage in loss miti-
14 gation actions for the purpose of providing an alter-
15 native to foreclosure (including actions such as spe-
16 cial forbearance, loan modification, pre-foreclosure
17 sale, deed in lieu of foreclosure, as required, support
18 for borrower housing counseling, subordinate lien
19 resolution, and borrower relocation), as provided for
20 by the Secretary.

1 “(14) PAYMENT OF PARTIAL CLAIMS AND
2 MORTGAGE MODIFICATIONS.—The Secretary may
3 authorize the modification of mortgages, and estab-
4 lish a program for payment of a partial claim to a
5 mortgagee that agrees to apply the claim amount to
6 payment of a mortgage on a 1- to 4-family resi-
7 dence, for mortgages that are in default or face im-
8 minent default, as defined by the Secretary. Any
9 payment under such program directed to the mort-
10 gagee shall be made at the sole discretion of the Sec-
11 retary and on terms and conditions acceptable to the
12 Secretary, except that—

13 “(A) the amount of the partial claim pay-
14 ment shall be in an amount determined by the
15 Secretary, and shall not exceed an amount
16 equivalent to 30 percent of the unpaid principal
17 balance of the mortgage and any costs that are
18 approved by the Secretary;

19 “(B) the amount of the partial claim pay-
20 ment shall be applied first to any outstanding
21 indebtedness on the mortgage, including any ar-
22 rearage, but may also include principal reduc-
23 tion;

24 “(C) the mortgagor shall agree to repay
25 the amount of the partial claim to the Secretary

1 upon terms and conditions acceptable to the
2 Secretary;

3 “(D) expenses related to a partial claim or
4 modification are not to be charged to the bor-
5 rower;

6 “(E) the Secretary may authorize com-
7 pensation to the mortgagee for lost income on
8 monthly mortgage payments due to interest
9 rate reduction;

10 “(F) the Secretary may reimburse the
11 mortgagee from the appropriate guaranty fund
12 in connection with any activities that the mort-
13 gagee is required to undertake concerning re-
14 payment by the mortgagor of the amount owed
15 to the Secretary;

16 “(G) the Secretary may authorize pay-
17 ments to the mortgagee on behalf of the bor-
18 rower, under such terms and conditions as are
19 defined by the Secretary, based on successful
20 performance under the terms of the mortgage
21 modification, which shall be used to reduce the
22 principal obligation under the modified mort-
23 gage; and

1 “(H) the Secretary may authorize the
 2 modification of mortgages with terms extended
 3 up to 40 years from the date of modification.

4 “(15) ASSIGNMENT.—

5 “(A) PROGRAM AUTHORITY.—The Sec-
 6 retary may establish a program for assignment
 7 to the Secretary, upon request of the mort-
 8 gagee, of a mortgage on a 1- to 4-family resi-
 9 dence guaranteed under this chapter.

10 “(B) PROGRAM REQUIREMENTS.—

11 “(i) IN GENERAL.—The Secretary
 12 may encourage loan modifications for eligi-
 13 ble delinquent mortgages or mortgages fac-
 14 ing imminent default, as defined by the
 15 Secretary, through the payment of the
 16 guaranty and assignment of the mortgage
 17 to the Secretary and the subsequent modi-
 18 fication of the terms of the mortgage ac-
 19 cording to a loan modification approved
 20 under this section.

21 “(ii) ACCEPTANCE OF ASSIGNMENT.—
 22 The Secretary may accept assignment of a
 23 mortgage under a program under this sub-
 24 section only if—

1 “(I) the mortgage is in default or
2 facing imminent default;

3 “(II) the mortgagee has modified
4 the mortgage or qualified the mort-
5 gage for modification sufficient to
6 cure the default and provide for mort-
7 gage payments the mortgagor is rea-
8 sonably able to pay, at interest rates
9 not exceeding current market interest
10 rates; and

11 “(III) the Secretary arranges for
12 servicing of the assigned mortgage by
13 a mortgagee (which may include the
14 assigning mortgagee) through proce-
15 dures that the Secretary has deter-
16 mined to be in the best interests of
17 the appropriate guaranty fund.

18 “(C) PAYMENT OF GUARANTY.—Under the
19 program under this paragraph, the Secretary
20 may pay the guaranty for a mortgage, in the
21 amount determined in accordance with para-
22 graph (2), without reduction for any amounts
23 modified, but only upon the assignment, trans-
24 fer, and delivery to the Secretary of all rights,
25 interest, claims, evidence, and records with re-

1 spect to the mortgage, as defined by the Sec-
2 retary.

3 “(D) DISPOSITION.—After modification of
4 a mortgage pursuant to this paragraph, and as-
5 signment of the mortgage, the Secretary may
6 provide guarantees under this subsection for the
7 mortgage. The Secretary may subsequently—

8 “(i) re-assign the mortgage to the
9 mortgagee under terms and conditions as
10 are agreed to by the mortgagee and the
11 Secretary;

12 “(ii) act as a Government National
13 Mortgage Association issuer, or contract
14 with an entity for such purpose, in order
15 to pool the mortgage into a Government
16 National Mortgage Association security; or

17 “(iii) re-sell the mortgage in accord-
18 ance with any program that has been es-
19 tablished for purchase by the Federal Gov-
20 ernment of mortgages insured under this
21 title, and the Secretary may coordinate
22 standards for interest rate reductions
23 available for loan modification with inter-
24 est rates established for such purchase.

1 “(E) LOAN SERVICING.—In carrying out
 2 the program under this subsection, the Sec-
 3 retary may require the existing servicer of a
 4 mortgage assigned to the Secretary under the
 5 program to continue servicing the mortgage as
 6 an agent of the Secretary during the period
 7 that the Secretary acquires and holds the mort-
 8 gage for the purpose of modifying the terms of
 9 the mortgage. If the mortgage is resold pursu-
 10 ant to subparagraph (D)(iii), the Secretary may
 11 provide for the existing servicer to continue to
 12 service the mortgage or may engage another en-
 13 tity to service the mortgage.”.

14 (b) TECHNICAL AMENDMENTS.—Subsection (h) of
 15 section 502 of the Housing Act of 1949 (42 U.S.C.
 16 1472(h)) is amended—

17 (1) in paragraph (5)(A), by striking “(as de-
 18 fined in paragraph (13))” and inserting “(as defined
 19 in paragraph (17))”; and

20 (2) in paragraph (18)(E)(as so redesignated by
 21 subsection (a)(2)), by—

22 (A) striking “paragraphs (3), (6), (7)(A),
 23 (8), and (10))” and inserting “paragraphs (3),
 24 (6), (7)(A), (8), (10), (13), and (14))”; and

1 (B) striking “paragraphs (2) through
 2 (13)” and inserting “paragraphs (2) through
 3 (15)”.

4 (c) PROCEDURE.—

5 (1) IN GENERAL.—The promulgation of regula-
 6 tions necessitated and the administration actions re-
 7 quired by the amendments made by this section shall
 8 be made without regard to—

9 (A) the notice and comment provisions of
 10 section 553 of title 5, United States Code;

11 (B) the Statement of Policy of the Sec-
 12 retary of Agriculture effective July 24, 1971
 13 (36 Fed. Reg. 13804), relating to notices of
 14 proposed rulemaking and public participation in
 15 rulemaking; and

16 (C) chapter 35 of title 44, United States
 17 Code (commonly known as the “Paperwork Re-
 18 duction Act”).

19 (2) CONGRESSIONAL REVIEW OF AGENCY RULE-
 20 MAKING.—In carrying out this section, and the
 21 amendments made by this section, the Secretary
 22 shall use the authority provided under section 808 of
 23 title 5, United States Code.

1 **SEC. 102. MODIFICATION OF HOUSING LOANS GUARAN-**
2 **TEED BY THE DEPARTMENT OF VETERANS**
3 **AFFAIRS.**

4 (a) MATURITY OF HOUSING LOANS.—Section
5 3703(d)(1) of title 38, United States Code, is amended
6 by inserting “at the time of origination” after “loan”.

7 (b) IMPLEMENTATION.—The Secretary of Veterans
8 Affairs may implement the amendments made by this sec-
9 tion through notice, procedure notice, or administrative
10 notice.

11 **SEC. 103. ADDITIONAL FUNDING FOR HUD PROGRAMS TO**
12 **ASSIST INDIVIDUALS TO BETTER WITHSTAND**
13 **THE CURRENT MORTGAGE CRISIS.**

14 (a) ADDITIONAL APPROPRIATIONS FOR ADVERTISING
15 TO INCREASE PUBLIC AWARENESS OF MORTGAGE SCAMS
16 AND COUNSELING ASSISTANCE.—In addition to any
17 amounts that may be appropriated for each of the fiscal
18 years 2010 and 2011 for such purpose, there is authorized
19 to be appropriated to the Secretary of Housing and Urban
20 Development, to remain available until expended,
21 \$10,000,000 for each of the fiscal years 2010 and 2011
22 for purposes of providing additional resources to be used
23 for advertising to raise awareness of mortgage fraud and
24 to support HUD programs and approved counseling agen-
25 cies, provided that such amounts are used to advertise in
26 the 100 metropolitan statistical areas with the highest

1 rate of home foreclosures, and provided, further that up
2 to \$5,000,000 of such amounts are used for advertise-
3 ments designed to reach and inform broad segments of
4 the community.

5 (b) ADDITIONAL APPROPRIATIONS FOR THE HOUS-
6 ING COUNSELING ASSISTANCE PROGRAM.—In addition to
7 any amounts that may be appropriated for each of the
8 fiscal years 2010 and 2011 for such purpose, there is au-
9 thorized to be appropriated to the Secretary of Housing
10 and Urban Development, to remain available until ex-
11 pended, \$50,000,000 for each of the fiscal years 2010 and
12 2011 to carry out the Housing Counseling Assistance Pro-
13 gram established within the Department of Housing and
14 Urban Development, provided that such amounts are used
15 to fund HUD-certified housing-counseling agencies lo-
16 cated in the 100 metropolitan statistical areas with the
17 highest rate of home foreclosures for the purpose of assist-
18 ing homeowners with inquiries regarding mortgage-modi-
19 fication assistance and mortgage scams.

20 (c) ADDITIONAL APPROPRIATIONS FOR PERSONNEL
21 AT THE OFFICE OF FAIR HOUSING AND EQUAL OPPOR-
22 TUNITY.—In addition to any amounts that may be appro-
23 priated for each of the fiscal years 2010 and 2011 for
24 such purpose, there is authorized to be appropriated to
25 the Secretary of Housing and Urban Development, to re-

1 main available until expended, \$5,000,000 for each of the
 2 fiscal years 2010 and 2011 for purposes of hiring addi-
 3 tional personnel at the Office of Fair Housing and Equal
 4 Opportunity within the Department of Housing and
 5 Urban Development, provided that such amounts are used
 6 to hire personnel at the local branches of such Office lo-
 7 cated in the 100 metropolitan statistical areas with the
 8 highest rate of home foreclosures.

9 **SEC. 104. MORTGAGE MODIFICATION DATA COLLECTING**
 10 **AND REPORTING.**

11 (a) REPORTING REQUIREMENTS.—Not later than
 12 120 days after the date of the enactment of this Act, and
 13 quarterly thereafter, the Comptroller of the Currency and
 14 the Director of the Office of Thrift Supervision, shall
 15 jointly submit a report to the Committee on Banking,
 16 Housing, and Urban Affairs of the Senate, the Committee
 17 on Financial Services of the House of Representatives on
 18 the volume of mortgage modifications reported to the Of-
 19 fice of the Comptroller of the Currency and the Office of
 20 Thrift Supervision, under the mortgage metrics program
 21 of each such Office, during the previous quarter, including
 22 the following:

23 (1) A copy of the data collection instrument
 24 currently used by the Office of the Comptroller of

1 the Currency and the Office of Thrift Supervision to
 2 collect data on loan modifications.

3 (2) The total number of mortgage modifications
 4 resulting in each of the following:

5 (A) Additions of delinquent payments and
 6 fees to loan balances.

7 (B) Interest rate reductions and freezes.

8 (C) Term extensions.

9 (D) Reductions of principal.

10 (E) Deferrals of principal.

11 (F) Combinations of modifications de-
 12 scribed in subparagraph (A), (B), (C), (D), or
 13 (E).

14 (3) The total number of mortgage modifications
 15 in which the total monthly principal and interest
 16 payment resulted in the following:

17 (A) An increase.

18 (B) Remained the same.

19 (C) Decreased less than 10 percent.

20 (D) Decreased between 10 percent and 20
 21 percent.

22 (E) Decreased 20 percent or more.

23 (4) The total number of loans that have been
 24 modified and then entered into default, where the
 25 loan modification resulted in—

1 (A) higher monthly payments by the home-
 2 owner;

3 (B) equivalent monthly payments by the
 4 homeowner;

5 (C) lower monthly payments by the home-
 6 owner of up to 10 percent;

7 (D) lower monthly payments by the home-
 8 owner of between 10 percent to 20 percent; or

9 (E) lower monthly payments by the home-
 10 owner of more than 20 percent.

11 (b) DATA COLLECTION.—

12 (1) REQUIRED.—

13 (A) IN GENERAL.—Not later than 60 days
 14 after the date of the enactment of this Act, the
 15 Comptroller of the Currency and the Director
 16 of the Office of Thrift Supervision, shall issue
 17 mortgage modification data collection and re-
 18 porting requirements to institutions covered
 19 under the reporting requirement of the mort-
 20 gage metrics program of the Comptroller or the
 21 Director.

22 (B) INCLUSIVENESS OF COLLECTIONS.—
 23 The requirements under subparagraph (A) shall
 24 provide for the collection of all mortgage modi-
 25 fication data needed by the Comptroller of the

1 Currency and the Director of the Office of
 2 Thrift Supervision to fulfill the reporting re-
 3 quirements under subsection (a).

4 (2) REPORT.—The Comptroller of the Currency
 5 shall report all requirements established under para-
 6 graph (1) to each committee receiving the report re-
 7 quired under subsection (a).

8 **SEC. 105. NEIGHBORHOOD STABILIZATION PROGRAM RE-**
 9 **FINEMENTS.**

10 (a) IN GENERAL.—Section 2301 of the Foreclosure
 11 Prevention Act of 2008 (42 U.S.C. 5301 note) is amend-
 12 ed—

13 (1) in subsection (b), by adding at the end the
 14 following:

15 “(5) DISTRIBUTION OF FUNDS IN CERTAIN
 16 STATES; COMPETITION FOR FUNDS.—Each State
 17 that receives the minimum allocation of amounts
 18 pursuant to the requirement under section 2302
 19 shall be permitted to use such amounts to address
 20 statewide concerns, provided that such amounts are
 21 made available for an eligible use described under
 22 paragraphs (3) and (4) of subsection (c).”; and

23 (2) in subsection (c), by adding at the end the
 24 following:

1 “(4) FORECLOSURE PREVENTION AND MITIGA-
2 TION.—

3 “(A) IN GENERAL.—Each State and unit
4 of general local government that receives an al-
5 location of any covered amounts, as such
6 amounts are distributed pursuant to section
7 2302, may use up to 10 percent of such
8 amounts for foreclosure prevention programs,
9 activities, and services, foreclosure mitigation
10 programs, activities, and services, or both, as
11 such programs, activities, and services are de-
12 fined by the Secretary.

13 “(B) DEFINITION OF COVERED
14 AMOUNTS.—For purposes of this paragraph,
15 the term ‘covered amount’ means any amounts
16 appropriated—

17 “(i) under this section as in effect on
18 the date of enactment of this section; and

19 “(ii) under the heading ‘Community
20 Development Fund’ of title XII of division
21 A of the American Recovery and Reinvest-
22 ment Act of 2009 (Public Law 111–5; 123
23 Stat. 217).”.

24 (b) RETROACTIVE EFFECTIVE DATE.—The amend-
25 ment made by subsection (a) shall take effect as if enacted

1 on the date of enactment of the Foreclosure Prevention
2 Act of 2008 (Public Law 110–289).

3 **TITLE II—FORECLOSURE MITI-**
4 **GATION AND CREDIT AVAIL-**
5 **ABILITY**

6 **SEC. 201. SERVICER SAFE HARBOR FOR MORTGAGE LOAN**
7 **MODIFICATIONS.**

8 (a) CONGRESSIONAL FINDINGS.—Congress finds the
9 following:

10 (1) Increasing numbers of mortgage fore-
11 closures are not only depriving many Americans of
12 their homes, but are also destabilizing property val-
13 ues and negatively affecting State and local econo-
14 mies as well as the national economy.

15 (2) In order to reduce the number of fore-
16 closures and to stabilize property values, local econo-
17 mies, and the national economy, servicers must be
18 given—

19 (A) authorization to—

20 (i) modify mortgage loans and engage
21 in other loss mitigation activities consistent
22 with applicable guidelines issued by the
23 Secretary of the Treasury or his designee
24 under the Emergency Economic Stabiliza-
25 tion Act of 2008; and

1 (ii) refinance mortgage loans under
 2 the Hope for Homeowners program; and
 3 (B) a safe harbor to enable such servicers
 4 to exercise these authorities.

5 (b) SAFE HARBOR.—Section 129A of the Truth in
 6 Lending Act (15 U.S.C. 1639a) is amended to read as
 7 follows:

8 **“SEC. 129. DUTY OF SERVICERS OF RESIDENTIAL MORT-**
 9 **GAGES.**

10 “(a) IN GENERAL.—Notwithstanding any other pro-
 11 vision of law, whenever a servicer of residential mortgages
 12 agrees to enter into a qualified loss mitigation plan with
 13 respect to 1 or more residential mortgages originated be-
 14 fore the date of enactment of the Helping Families Save
 15 Their Homes Act of 2009, including mortgages held in
 16 a securitization or other investment vehicle—

17 “(1) to the extent that the servicer owes a duty
 18 to investors or other parties to maximize the net
 19 present value of such mortgages, the duty shall be
 20 construed to apply to all such investors and parties,
 21 and not to any individual party or group of parties;
 22 and

23 “(2) the servicer shall be deemed to have satis-
 24 fied the duty set forth in paragraph (1) if, before
 25 December 31, 2012, the servicer implements a quali-

1 fied loss mitigation plan that meets the following cri-
2 teria:

3 “(A) Default on the payment of such mort-
4 gage has occurred, is imminent, or is reason-
5 ably foreseeable, as such terms are defined by
6 guidelines issued by the Secretary of the Treas-
7 ury or his designee under the Emergency Eco-
8 nomic Stabilization Act of 2008.

9 “(B) The mortgagor occupies the property
10 securing the mortgage as his or her principal
11 residence.

12 “(C) The servicer reasonably determined,
13 consistent with the guidelines issued by the Sec-
14 retary of the Treasury or his designee, that the
15 application of such qualified loss mitigation
16 plan to a mortgage or class of mortgages will
17 likely provide an anticipated recovery on the
18 outstanding principal mortgage debt that will
19 exceed the anticipated recovery through fore-
20 closures.

21 “(b) NO LIABILITY.—A servicer that is deemed to be
22 acting in the best interests of all investors or other parties
23 under this section shall not be liable to any party who is
24 owed a duty under subsection (a)(1), and shall not be sub-
25 ject to any injunction, stay, or other equitable relief to

1 such party, based solely upon the implementation by the
 2 servicer of a qualified loss mitigation plan.

3 “(c) STANDARD INDUSTRY PRACTICE.—The quali-
 4 fied loss mitigation plan guidelines issued by the Secretary
 5 of the Treasury under the Emergency Economic Stabiliza-
 6 tion Act of 2008 shall constitute standard industry prac-
 7 tice for purposes of all Federal and State laws.

8 “(d) SCOPE OF SAFE HARBOR.—Any person, includ-
 9 ing a trustee, issuer, and loan originator, shall not be lia-
 10 ble for monetary damages or be subject to an injunction,
 11 stay, or other equitable relief, based solely upon the co-
 12 operation of such person with a servicer when such co-
 13 operation is necessary for the servicer to implement a
 14 qualified loss mitigation plan that meets the requirements
 15 of subsection (a).

16 “(e) REPORTING.—Each servicer that engages in
 17 qualified loss mitigation plans under this section shall reg-
 18 ularly report to the Secretary of the Treasury the extent,
 19 scope, and results of the servicer’s modification activities.
 20 The Secretary of the Treasury shall prescribe regulations
 21 or guidance specifying the form, content, and timing of
 22 such reports.

23 “(f) DEFINITIONS.—As used in this section—

24 “(1) the term ‘qualified loss mitigation plan’
 25 means—

1 “(A) a residential loan modification, work-
2 out, or other loss mitigation plan, including to
3 the extent that the Secretary of the Treasury
4 determines appropriate, a loan sale, real prop-
5 erty disposition, trial modification, pre-fore-
6 closure sale, and deed in lieu of foreclosure,
7 that is described or authorized in guidelines
8 issued by the Secretary of the Treasury or his
9 designee under the Emergency Economic Sta-
10 bilization Act of 2008; and

11 “(B) a refinancing of a mortgage under
12 the Hope for Homeowners program;

13 “(2) the term ‘servicer’ means the person re-
14 sponsible for the servicing for others of residential
15 mortgage loans(including of a pool of residential
16 mortgage loans); and

17 “(3) the term ‘securitization vehicle’ means a
18 trust, special purpose entity, or other legal structure
19 that is used to facilitate the issuing of securities,
20 participation certificates, or similar instruments
21 backed by or referring to a pool of assets that in-
22 cludes residential mortgages (or instruments that
23 are related to residential mortgages such as credit-
24 linked notes).”.

1 **SEC. 202. CHANGES TO HOPE FOR HOMEOWNERS PRO-**
 2 **GRAM.**

3 (a) PROGRAM CHANGES.—Section 257 of the Na-
 4 tional Housing Act (12 U.S.C. 1715z–23) is amended—

5 (1) in subsection (c)—

6 (A) in the heading for paragraph (1), by
 7 striking “THE BOARD” and inserting “SEC-
 8 RETARY”;

9 (B) in paragraph (1), by striking “Board”
 10 inserting “Secretary, after consultation with the
 11 Board,”;

12 (C) in paragraph (1)(A), by inserting
 13 “consistent with section 203(b) to the max-
 14 imum extent possible” before the semicolon;
 15 and

16 (D) by adding after paragraph (2) the fol-
 17 lowing:

18 “(3) DUTIES OF BOARD.—The Board shall ad-
 19 vise the Secretary regarding the establishment and
 20 implementation of the HOPE for Homeowners Pro-
 21 gram.”;

22 (2) by striking “Board” each place such term
 23 appears in subsections (e), (h)(1), (h)(3), (j), (l),
 24 (n), (s)(3), and (v) and inserting “Secretary”;

25 (3) in subsection (e)—

1 (A) by striking paragraph (1) and insert-
2 ing the following:

3 “(1) BORROWER CERTIFICATION.—

4 “(A) NO INTENTIONAL DEFAULT OR
5 FALSE INFORMATION.—The mortgagor shall
6 provide a certification to the Secretary that the
7 mortgagor has not intentionally defaulted on
8 the existing mortgage or mortgages or any
9 other substantial debt within the last 5 years
10 and has not knowingly, or willfully and with ac-
11 tual knowledge, furnished material information
12 known to be false for the purpose of obtaining
13 the eligible mortgage to be insured and has not
14 been convicted under Federal or State law for
15 fraud during the 10-year period ending upon
16 the insurance of the mortgage under this sec-
17 tion.

18 “(B) LIABILITY FOR REPAYMENT.—The
19 mortgagor shall agree in writing that the mort-
20 gagor shall be liable to repay to the Secretary
21 any direct financial benefit achieved from the
22 reduction of indebtedness on the existing mort-
23 gage or mortgages on the residence refinanced
24 under this section derived from misrepresenta-
25 tions made by the mortgagor in the certifi-

cations and documentation required under this paragraph, subject to the discretion of the Secretary.

“(C) CURRENT BORROWER DEBT-TO-INCOME RATIO.—As of the date of application for a commitment to insure or insurance under this section, the mortgagor shall have had, or thereafter is likely to have, due to the terms of the mortgage being reset, a ratio of mortgage debt to income, taking into consideration all existing mortgages of that mortgagor at such time, greater than 31 percent (or such higher amount as the Secretary determines appropriate).”;

(B) in paragraph (4)—

(i) in subparagraph (A), by striking “, subject to standards established by the Board under subparagraph (B),”; and

(ii) in subparagraph (B)(i), by striking “shall” and inserting “may”; and

(C) in paragraph (7), by striking “; and provided that” and all that follows through “new second lien”;

(D) in paragraph (9)—

(i) by striking “by procuring (A) an income tax return transcript of the income

1 tax return of the mortgagor, or (B)” and
 2 inserting “in accordance with procedures
 3 and standards that the Secretary shall es-
 4 tablish (provided that such procedures and
 5 standards are consistent with section
 6 203(b) to the maximum extent possible)
 7 which may include requiring the mortgagee
 8 to procure”; and

9 (ii) by striking “and by any other
 10 method, in accordance with procedures and
 11 standards that the Board shall establish”;
 12 (E) in paragraph (10)—

13 (i) by striking “The mortgagor shall
 14 not” and inserting the following:

15 “(A) PROHIBITION.—The mortgagor shall
 16 not”; and

17 (ii) by adding at the end the fol-
 18 lowing:

19 “(B) DUTY OF MORTGAGEE.—The duty of
 20 the mortgagee to ensure that the mortgagor is
 21 in compliance with the prohibition under sub-
 22 paragraph (A) shall be satisfied if the mort-
 23 gagee makes a good faith effort to determine
 24 that the mortgagor has not been convicted

1 under Federal or State law for fraud during the
2 period described in subparagraph (A).”;

3 (F) in paragraph (11), by inserting before
4 the period at the end the following: “, except
5 that the Secretary may provide exceptions to
6 such latter requirement (relating to present
7 ownership interest) for any mortgagor who has
8 inherited a property”; and

9 (G) by adding at the end:

10 “(12) BAN ON MILLIONAIRES.—The mortgagor
11 shall not have a net worth, as of the date the mort-
12 gator first applies for a mortgage to be insured
13 under the Program under this section, that exceeds
14 \$1,000,000.”;

15 (4) in subsection (h)(2), by striking “The
16 Board shall prohibit the Secretary from paying” and
17 inserting “The Secretary shall not pay”; and

18 (5) in subsection (i)—

19 (A) by redesignating paragraphs (1) and
20 (2) as subparagraphs (A) and (B), respectively,
21 and adjusting the margins accordingly;

22 (B) in the matter preceding subparagraph
23 (A), as redesignated by this paragraph, by
24 striking “For each” and inserting the following:

25 “(1) PREMIUMS.—For each”;

1 (C) in subparagraph (A), as redesignated
 2 by this paragraph, by striking “equal to 3 per-
 3 cent” and inserting “not more than 3 percent”;
 4 and

5 (D) in subparagraph (B), as redesignated
 6 by this paragraph, by striking “equal to 1.5
 7 percent” and inserting “not more than 1.5 per-
 8 cent”;

9 (E) by adding at the end the following:

10 “(2) CONSIDERATIONS.—In setting the pre-
 11 mium under this subsection, the Secretary shall con-
 12 sider—

13 “(A) the financial integrity of the HOPE
 14 for Homeowners Program; and

15 “(B) the purposes of the HOPE for Home-
 16 owners Program described in subsection (b).”;

17 (6) in subsection (k)—

18 (A) by striking the subsection heading and
 19 inserting “EXIT FEE”;

20 (B) in paragraph (1), in the matter pre-
 21 ceding subparagraph (A), by striking “such sale
 22 or refinancing” and inserting “the mortgage
 23 being insured under this section”; and

24 (C) in paragraph (2), by striking “and the
 25 mortgagor” and all that follows through the

- 1 end and inserting “may, upon any sale or dis-
- 2 position of the property to which the mortgage
- 3 relates, be entitled to up to 50 percent of ap-
- 4 preciation, up to the appraised value of the
- 5 home at the time when the mortgage being refi-
- 6 nanced under this section was originally made.
- 7 The Secretary may share any amounts received
- 8 under this paragraph with the holder of the ex-
- 9 isting senior mortgage on the eligible mortgage,
- 10 the holder of any existing subordinate mortgage
- 11 on the eligible mortgage, or both.”;
- 12 (7) in the heading for subsection (n), by strik-
- 13 ing “THE BOARD” and inserting “SECRETARY”;
- 14 (8) in subsection (p), by striking “Under the di-
- 15 rection of the Board, the” and inserting “The”;
- 16 (9) in subsection (s)—
- 17 (A) in the first sentence of paragraph (2),
- 18 by striking “Board of Directors of” and insert-
- 19 ing “Advisory Board for”; and
- 20 (B) in paragraph (3)(A)(ii), by striking
- 21 “subsection (e)(1)(B) and such other” and in-
- 22 serting “such”;
- 23 (10) in subsection (v), by inserting after the pe-
- 24 riod at the end the following: “The Secretary shall
- 25 conform documents, forms, and procedures for mort-

1 gages insured under this section to those in place for
 2 mortgages insured under section 203(b) to the max-
 3 imum extent possible consistent with the require-
 4 ments of this section.”; and

5 (11) by adding at the end the following new
 6 subsections:

7 “(x) PAYMENTS TO SERVICERS AND ORIGINATORS.—
 8 The Secretary may establish a payment to the—

9 “(1) servicer of the existing senior mortgage for
 10 every loan insured under the HOPE for Home-
 11 owners Program; and

12 “(2) originator of each new loan insured under
 13 the HOPE for Homeowners Program.

14 “(y) AUCTIONS.—The Secretary, with the concur-
 15 rence of the Board, shall, if feasible, establish a structure
 16 and organize procedures for an auction to refinance eligi-
 17 ble mortgages on a wholesale or bulk basis.”.

18 (b) REDUCING TARP FUNDS TO OFFSET COSTS OF
 19 PROGRAM CHANGES.—Paragraph (3) of section 115(a) of
 20 the Emergency Economic Stabilization Act of 2008 (12
 21 U.S.C. 5225) is amended by inserting “, as such amount
 22 is reduced by \$2,316,000,000,” after
 23 “\$700,000,000,000”.

24 (c) TECHNICAL CORRECTION.—The second section
 25 257 of the National Housing Act (Public Law 110–289;

1 122 Stat. 2839; 12 U.S.C. 1715z–24) is amended by strik-
 2 ing the section heading and inserting the following:

3 **“SEC. 258. PILOT PROGRAM FOR AUTOMATED PROCESS**
 4 **FOR BORROWERS WITHOUT SUFFICIENT**
 5 **CREDIT HISTORY.”.**

6 **SEC. 203. REQUIREMENTS FOR FHA-APPROVED MORTGA-**
 7 **GEES.**

8 (a) MORTGAGEE REVIEW BOARD.—

9 (1) IN GENERAL.—Section 202(c)(2) of the Na-
 10 tional Housing Act (12 U.S.C. 1708(c)) is amend-
 11 ed—

12 (A) in subparagraph (E), by inserting
 13 “and” after the semicolon;

14 (B) in subparagraph (F), by striking “;
 15 and” and inserting “or their designees.”; and

16 (C) by striking subparagraph (G).

17 (2) PROHIBITION AGAINST LIMITATIONS ON
 18 MORTGAGEE REVIEW BOARD’S POWER TO TAKE AC-
 19 TION AGAINST MORTGAGEES.—Section 202(c) of the
 20 National Housing Act (12 U.S.C. 1708(c)) is
 21 amended by adding at the end the following new
 22 paragraph:

23 “(9) PROHIBITION AGAINST LIMITATIONS ON
 24 MORTGAGEE REVIEW BOARD’S POWER TO TAKE AC-
 25 TION AGAINST MORTGAGEES.—No State or local law,

1 and no Federal law (except a Federal law enacted
 2 expressly in limitation of this subsection after the ef-
 3 fective date of this sentence), shall preclude or limit
 4 the exercise by the Board of its power to take any
 5 action authorized under paragraphs (3) and (6) of
 6 this subsection against any mortgagee.”.

7 (b) LIMITATIONS ON PARTICIPATION AND MORT-
 8 GAGEE APPROVAL AND USE OF NAME.—Section 202 of
 9 the National Housing Act (12 U.S.C. 1708) is amended—

10 (1) by redesignating subsections (d), (e), and
 11 (f) as subsections (e), (f), and (g), respectively;

12 (2) by inserting after subsection (c) the fol-
 13 lowing new subsection:

14 “(d) LIMITATIONS ON PARTICIPATION IN ORIGINA-
 15 TION AND MORTGAGEE APPROVAL.—

16 “(1) REQUIREMENT.—Any person or entity
 17 that is not approved by the Secretary to serve as a
 18 mortgagee, as such term is defined in subsection
 19 (c)(7), shall not participate in the origination of an
 20 FHA-insured loan except as authorized by the Sec-
 21 retary.

22 “(2) ELIGIBILITY FOR APPROVAL.—In order to
 23 be eligible for approval by the Secretary, an appli-
 24 cant mortgagee shall not be, and shall not have any
 25 officer, partner, director, principal, manager, super-

1 visor, loan processor, loan underwriter, or loan origi-
2 nator of the applicant mortgagee who is—

3 “(A) currently suspended, debarred, under
4 a limited denial of participation (LDP), or oth-
5 erwise restricted under part 25 of title 24 of
6 the Code of Federal Regulations, 2 Code of
7 Federal Regulations, part 180 as implemented
8 by part 2424, or any successor regulations to
9 such parts, or under similar provisions of any
10 other Federal agency;

11 “(B) under indictment for, or has been
12 convicted of, an offense that reflects adversely
13 upon the applicant’s integrity, competence or
14 fitness to meet the responsibilities of an ap-
15 proved mortgagee;

16 “(C) subject to unresolved findings con-
17 tained in a Department of Housing and Urban
18 Development or other governmental audit, in-
19 vestigation, or review;

20 “(D) engaged in business practices that do
21 not conform to generally accepted practices of
22 prudent mortgagees or that demonstrate irre-
23 sponsibility;

24 “(E) convicted of, or who has pled guilty
25 or nolo contendere to, a felony related to partici-

1 pation in the real estate or mortgage loan in-
 2 dustry—

3 “(i) during the 7-year period pre-
 4 ceding the date of the application for li-
 5 censing and registration; or

6 “(ii) at any time preceding such date
 7 of application, if such felony involved an
 8 act of fraud, dishonesty, or a breach of
 9 trust, or money laundering;

10 “(F) in violation of provisions of the
 11 S.A.F.E. Mortgage Licensing Act of 2008 (12
 12 U.S.C. 5101 et seq.) or any applicable provision
 13 of State law; or

14 “(G) in violation of any other requirement
 15 as established by the Secretary.

16 “(3) RULEMAKING AND IMPLEMENTATION.—

17 The Secretary shall conduct a rulemaking to carry
 18 out this subsection. The Secretary shall implement
 19 this subsection not later than the expiration of the
 20 60-day period beginning upon the date of the enact-
 21 ment of this subsection by notice, mortgagee letter,
 22 or interim final regulations, which shall take effect
 23 upon issuance.”; and

24 (3) by adding at the end the following new sub-
 25 section:

1 “(h) USE OF NAME.—The Secretary shall, by regula-
 2 tion, require each mortgagee approved by the Secretary
 3 for participation in the FHA mortgage insurance pro-
 4 grams of the Secretary—

5 “(1) to use the business name of the mortgagee
 6 that is registered with the Secretary in connection
 7 with such approval in all advertisements and pro-
 8 motional materials, as such terms are defined by the
 9 Secretary, relating to the business of such mort-
 10 gagee in such mortgage insurance programs; and

11 “(2) to maintain copies of all such advertise-
 12 ments and promotional materials, in such form and
 13 for such period as the Secretary requires.”.

14 (c) PAYMENT FOR LOSS MITIGATION.—Section
 15 204(a)(2) of the National Housing Act (12 U.S.C.
 16 1710(a)(2)) is amended—

17 (1) by inserting “or faces imminent default, as
 18 defined by the Secretary” after “default”;

19 (2) by inserting “support for borrower housing
 20 counseling, partial claims, borrower incentives,
 21 preforeclosure sale,” after “loan modification,”; and

22 (3) by striking “204(a)(1)(A)” and inserting
 23 “subsection (a)(1)(A) or section 203(c)”.

24 (d) PAYMENT OF FHA MORTGAGE INSURANCE BEN-
 25 EFITS.—

1 (1) ADDITIONAL LOSS MITIGATION ACTIONS.—
 2 Section 230(a) of the National Housing Act (12
 3 U.S.C. 1715u(a)) is amended—

4 (A) by inserting “or imminent default, as
 5 defined by the Secretary” after “default”;

6 (B) by striking “loss” and inserting
 7 “loan”;

8 (C) by inserting “preforeclosure sale, sup-
 9 port for borrower housing counseling, subordi-
 10 nate lien resolution, borrower incentives,” after
 11 “loan modification,”;

12 (D) by inserting “as required,” after
 13 “deeds in lieu of foreclosure,”; and

14 (E) by inserting “or section 230(c),” be-
 15 fore “as provided”.

16 (2) AMENDMENT TO PARTIAL CLAIM AUTHOR-
 17 ITY.—Section 230(b) of the National Housing Act
 18 (12 U.S.C. 1715u(b)) is amended to read as follows:

19 “(b) PAYMENT OF PARTIAL CLAIM.—

20 “(1) ESTABLISHMENT OF PROGRAM.—The Sec-
 21 retary may establish a program for payment of a
 22 partial claim to a mortgagee that agrees to apply the
 23 claim amount to payment of a mortgage on a 1- to
 24 4-family residence that is in default or faces immi-
 25 nent default, as defined by the Secretary.

1 “(2) PAYMENTS AND EXCEPTIONS.—Any pay-
2 ment of a partial claim under the program estab-
3 lished in paragraph (1) to a mortgagee shall be
4 made in the sole discretion of the Secretary and on
5 terms and conditions acceptable to the Secretary, ex-
6 cept that—

7 “(A) the amount of the payment shall be
8 in an amount determined by the Secretary, not
9 to exceed an amount equivalent to 30 percent
10 of the unpaid principal balance of the mortgage
11 and any costs that are approved by the Sec-
12 retary;

13 “(B) the amount of the partial claim pay-
14 ment shall first be applied to any arrearage on
15 the mortgage, and may also be applied to
16 achieve principal reduction;

17 “(C) the mortgagor shall agree to repay
18 the amount of the insurance claim to the Sec-
19 retary upon terms and conditions acceptable to
20 the Secretary;

21 “(D) the Secretary may permit compensa-
22 tion to the mortgagee for lost income on month-
23 ly payments, due to a reduction in the interest
24 rate charged on the mortgage;

1 “(E) expenses related to the partial claim
2 or modification may not be charged to the bor-
3 rower;

4 “(F) loans may be modified to extend the
5 term of the mortgage to a maximum of 40
6 years from the date of the modification; and

7 “(G) the Secretary may permit incentive
8 payments to the mortgagee, on the borrower’s
9 behalf, based on successful performance of a
10 modified mortgage, which shall be used to re-
11 duce the amount of principal indebtedness.

12 “(3) PAYMENTS IN CONNECTION WITH CERTAIN
13 ACTIVITIES.—The Secretary may pay the mortgagee,
14 from the appropriate insurance fund, in connection
15 with any activities that the mortgagee is required to
16 undertake concerning repayment by the mortgagor
17 of the amount owed to the Secretary.”.

18 (3) ASSIGNMENT.—Section 230(c) of the Na-
19 tional Housing Act (12 U.S.C. 1715u(c)) is amend-
20 ed—

21 (A) by inserting “(1)” after “(c)”;

22 (B) by redesignating paragraphs (1), (2),
23 and (3) as subparagraphs (A), (B), and (C), re-
24 spectively;

1 (C) in paragraph (1)(B) (as so redesign-
 2 nated)—

3 (i) by redesignating subparagraphs
 4 (A), (B), and (C) as clauses (i), (ii), and
 5 (iii), respectively;

6 (ii) in the matter preceding clause (i)
 7 (as so redesignated), by striking “under a
 8 program under this subsection” and insert-
 9 ing “under this paragraph”; and

10 (iii) in clause (i) (as so redesignated),
 11 by inserting “or facing imminent default,
 12 as defined by the Secretary” after “de-
 13 fault”;

14 (D) in paragraph (1)(C) (as so redesign-
 15 nated), by striking “under a program under
 16 this subsection” and inserting “under this para-
 17 graph”; and

18 (E) by adding at the end the following:

19 “(2) ASSIGNMENT AND LOAN MODIFICATION.—

20 “(A) AUTHORITY.—The Secretary may en-
 21 courage loan modifications for eligible delin-
 22 quent mortgages or mortgages facing imminent
 23 default, as defined by the Secretary, through
 24 the payment of insurance benefits and assign-
 25 ment of the mortgage to the Secretary and the

subsequent modification of the terms of the mortgage according to a loan modification approved by the mortgagee.

“(B) PAYMENT OF BENEFITS AND ASSIGNMENT.—In carrying out this paragraph, the Secretary may pay insurance benefits for a mortgage, in the amount determined in accordance with section 204(a)(5), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage specified in clauses (i) through (iv) of section 204(a)(1)(A).

“(C) DISPOSITION.—After modification of a mortgage pursuant to this paragraph, the Secretary may provide insurance under this title for the mortgage. The Secretary may subsequently—

“(i) re-assign the mortgage to the mortgagee under terms and conditions as are agreed to by the mortgagee and the Secretary;

“(ii) act as a Government National Mortgage Association issuer, or contract

1 with an entity for such purpose, in order
2 to pool the mortgage into a Government
3 National Mortgage Association security; or

4 “(iii) re-sell the mortgage in accord-
5 ance with any program that has been es-
6 tablished for purchase by the Federal Gov-
7 ernment of mortgages insured under this
8 title, and the Secretary may coordinate
9 standards for interest rate reductions
10 available for loan modification with inter-
11 est rates established for such purchase.

12 “(D) LOAN SERVICING.—In carrying out
13 this paragraph, the Secretary may require the
14 existing servicer of a mortgage assigned to the
15 Secretary to continue servicing the mortgage as
16 an agent of the Secretary during the period
17 that the Secretary acquires and holds the mort-
18 gage for the purpose of modifying the terms of
19 the mortgage, provided that the Secretary com-
20 pensates the existing servicer appropriately, as
21 such compensation is determined by the Sec-
22 retary consistent, to the maximum extent pos-
23 sible, with section 203(b). If the mortgage is re-
24 sold pursuant to subparagraph (C)(iii), the Sec-
25 retary may provide for the existing servicer to

1 continue to service the mortgage or may engage
2 another entity to service the mortgage.”.

3 (4) IMPLEMENTATION.—The Secretary of
4 Housing and Urban Development may implement
5 the amendments made by this subsection through
6 notice or mortgagee letter.

7 (e) CHANGE OF STATUS.—The National Housing Act
8 is amended by striking section 532 (12 U.S.C. 1735f–10)
9 and inserting the following new section:

10 **“SEC. 532. CHANGE OF MORTGAGEE STATUS.**

11 “(a) NOTIFICATION.—Upon the occurrence of any ac-
12 tion described in subsection (b), an approved mortgagee
13 shall immediately submit to the Secretary, in writing, noti-
14 fication of such occurrence.

15 “(b) ACTIONS.—The actions described in this sub-
16 section are as follows:

17 “(1) The debarment, suspension or a Limited
18 Denial of Participation (LDP), or application of
19 other sanctions, other exclusions, fines, or penalties
20 applied to the mortgagee or to any officer, partner,
21 director, principal, manager, supervisor, loan proc-
22 essor, loan underwriter, or loan originator of the
23 mortgagee pursuant to applicable provisions of State
24 or Federal law.

1 “(2) The revocation of a State-issued mortgage
 2 loan originator license issued pursuant to the
 3 S.A.F.E. Mortgage Licensing Act of 2008 (12
 4 U.S.C. 5101 et seq.) or any other similar declaration
 5 of ineligibility pursuant to State law.”.

6 (f) CIVIL MONEY PENALTIES.—Section 536 of the
 7 National Housing Act (12 U.S.C. 1735f–14) is amend-
 8 ed—

9 (1) in subsection (b)—

10 (A) in paragraph (1)—

11 (i) in the matter preceding subpara-
 12 graph (A), by inserting “or any of its own-
 13 ers, officers, or directors” after “mort-
 14 gagee or lender”;

15 (ii) in subparagraph (H), by striking
 16 “title I” and all that follows through
 17 “under this Act.” and inserting “title I or
 18 II of this Act, or any implementing regula-
 19 tion, handbook, or mortgagee letter that is
 20 issued under this Act.”; and

21 (iii) by inserting after subparagraph
 22 (J) the following:

23 “(K) Violation of section 202(d) of this
 24 Act (12 U.S.C. 1708(d)).

“(L) Use of ‘Federal Housing Administration’, ‘Department of Housing and Urban Development’, ‘Government National Mortgage Association’, ‘Ginnie Mae’, the acronyms ‘HUD’, ‘FHA’, or ‘GNMA’, or any official seal or logo of the Department of Housing and Urban Development, except as authorized by the Secretary.”;

(B) in paragraph (2)—

(i) in subparagraph (B), by striking “or” at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting “; or”; and

(iii) by adding at the end the following new subparagraph:

“(D) causing or participating in any of the violations set forth in paragraph (1) of this subsection.”; and

(C) by amending paragraph (3) to read as follows:

“(3) PROHIBITION AGAINST MISLEADING USE OF FEDERAL ENTITY DESIGNATION.—The Secretary may impose a civil money penalty, as adjusted from time to time, under subsection (a) for any use of

1 ‘Federal Housing Administration’, ‘Department of
 2 Housing and Urban Development’, ‘Government Na-
 3 tional Mortgage Association’, ‘Ginnie Mae’, the acro-
 4 nyms ‘HUD’, ‘FHA’, or ‘GNMA’, or any official seal
 5 or logo of the Department of Housing and Urban
 6 Development, by any person, party, company, firm,
 7 partnership, or business, including sellers of real es-
 8 tate, closing agents, title companies, real estate
 9 agents, mortgage brokers, appraisers, loan cor-
 10 respondents, and dealers, except as authorized by
 11 the Secretary.”; and

12 (2) in subsection (g), by striking “The term”
 13 and all that follows through the end of the sentence
 14 and inserting “For purposes of this section, a person
 15 acts knowingly when a person has actual knowledge
 16 of acts or should have known of the acts.”.

17 (g) EXPANDED REVIEW OF FHA MORTGAGEE AP-
 18 PLICANTS AND NEWLY APPROVED MORTGAGEES.—Not
 19 later than the expiration of the 3-month period beginning
 20 upon the date of the enactment of this Act, the Secretary
 21 of Housing and Urban Development shall—

22 (1) expand the existing process for reviewing
 23 new applicants for approval for participation in the
 24 mortgage insurance programs of the Secretary for
 25 mortgages on 1- to 4-family residences for the pur-

pose of identifying applicants who represent a high risk to the Mutual Mortgage Insurance Fund; and

(2) implement procedures that, for mortgagees approved during the 12-month period ending upon such date of enactment—

(A) expand the number of mortgages originated by such mortgagees that are reviewed for compliance with applicable laws, regulations, and policies; and

(B) include a process for random reviews of such mortgagees and a process for reviews that is based on volume of mortgages originated by such mortgagees.

SEC. 204. ENHANCEMENT OF LIQUIDITY AND STABILITY OF INSURED DEPOSITORY INSTITUTIONS TO ENSURE AVAILABILITY OF CREDIT AND REDUCTION OF FORECLOSURES.

(a) TEMPORARY INCREASE IN DEPOSIT INSURANCE EXTENDED.—Section 136 of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5241) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “December 31, 2009” and inserting “December 31, 2013”;

(B) by striking paragraph (2);

1 (C) by redesignating paragraph (3) as
2 paragraph (2); and

3 (D) in paragraph (2), as so redesignated,
4 by striking “December 31, 2009” and inserting
5 “December 31, 2013”; and
6 (2) in subsection (b)—

7 (A) in paragraph (1), by striking “Decem-
8 ber 31, 2009” and inserting “December 31,
9 2013”;

10 (B) by striking paragraph (2);

11 (C) by redesignating paragraph (3) as
12 paragraph (2); and

13 (D) in paragraph (2), as so redesignated,
14 by striking “December 31, 2009” and inserting
15 “December 31, 2013”; and

16 (b) EXTENSION OF RESTORATION PLAN PERIOD.—
17 Section 7(b)(3)(E)(ii) of the Federal Deposit Insurance
18 Act (12 U.S.C. 1817(b)(3)(E)(ii)) is amended by striking
19 “5-year period” and inserting “8-year period”.

20 (c) FDIC AND NCUA BORROWING AUTHORITY.—

21 (1) FDIC.—Section 14(a) of the Federal De-
22 posit Insurance Act (12 U.S.C. 1824(a)) is amend-
23 ed—

24 (A) by striking “\$30,000,000,000” and in-
25 serting “\$100,000,000,000”;

1 (B) by striking “The Corporation is au-
 2 thorized” and inserting the following:

3 “(1) IN GENERAL.—The Corporation is author-
 4 ized”;

5 (C) by striking “There are hereby” and in-
 6 serting the following:

7 “(2) FUNDING.—There are hereby”; and

8 (D) by adding at the end the following:

9 “(3) TEMPORARY INCREASES AUTHORIZED.—

10 “(A) RECOMMENDATIONS FOR IN-
 11 CREASE.—During the period beginning on the
 12 date of enactment of this paragraph and ending
 13 on December 31, 2010, if, upon the written rec-
 14 ommendation of the Board of Directors (upon
 15 a vote of not less than two-thirds of the mem-
 16 bers of the Board of Directors) and the Board
 17 of Governors of the Federal Reserve System
 18 (upon a vote of not less than two-thirds of the
 19 members of such Board), the Secretary of the
 20 Treasury (in consultation with the President)
 21 determines that additional amounts above the
 22 \$100,000,000,000 amount specified in para-
 23 graph (1) are necessary, such amount shall be
 24 increased to the amount so determined to be
 25 necessary, not to exceed \$500,000,000,000.

1 “(B) REPORT REQUIRED.—If the bor-
 2 rowing authority of the Corporation is increased
 3 above \$100,000,000,000 pursuant to subpara-
 4 graph (A), the Corporation shall promptly sub-
 5 mit a report to the Committee on Banking,
 6 Housing, and Urban Affairs of the Senate and
 7 the Committee on Financial Services of the
 8 House of Representatives describing the reasons
 9 and need for the additional borrowing authority
 10 and its intended uses.

11 “(C) RESTRICTION ON USAGE.—The Cor-
 12 poration may not borrow pursuant to subpara-
 13 graph (A) to fund obligations of the Corpora-
 14 tion incurred as a part of a program established
 15 by the Secretary of the Treasury pursuant to
 16 the Emergency Economic Stabilization Act of
 17 2008 to purchase or guarantee assets.”.

18 (2) NCUA.—Section 203(d)(1) of the Federal
 19 Credit Union Act (12 U.S.C. 1783(d)(1)) is amend-
 20 ed to read as follows:

21 “(1) If, in the judgment of the Board, a loan
 22 to the insurance fund, or to the stabilization fund
 23 described in section 217 of this title, is required at
 24 any time for purposes of this subchapter, the Sec-
 25 retary of the Treasury shall make the loan, but

1 loans under this paragraph shall not exceed in the
 2 aggregate \$6,000,000,000 outstanding at any one
 3 time. Except as otherwise provided in this sub-
 4 section, section 217, and in subsection (e) of this
 5 section, each loan under this paragraph shall be
 6 made on such terms as may be fixed by agreement
 7 between the Board and the Secretary of the Treas-
 8 ury.”.

9 (3) TEMPORARY INCREASES OF BORROWING AU-
 10 THORITY FOR NCUA.—Section 203(d) of the Federal
 11 Credit Union Act (12 U.S.C. 1783(d)) is amended
 12 by adding at the end the following:

13 “(4) TEMPORARY INCREASES AUTHORIZED.—

14 “(A) RECOMMENDATIONS FOR IN-
 15 CREASE.—During the period beginning on the
 16 date of enactment of this paragraph and ending
 17 on December 31, 2010, if, upon the written rec-
 18 ommendation of the Board (upon a vote of not
 19 less than two-thirds of the members of the
 20 Board) and the Board of Governors of the Fed-
 21 eral Reserve System (upon a vote of not less
 22 than two-thirds of the members of such Board),
 23 the Secretary of the Treasury (in consultation
 24 with the President) determines that additional
 25 amounts above the \$6,000,000,000 amount

1 specified in paragraph (1) are necessary, such
 2 amount shall be increased to the amount so de-
 3 termined to be necessary, not to exceed
 4 \$30,000,000,000.

5 “(B) REPORT REQUIRED.—If the bor-
 6 rowing authority of the Board is increased
 7 above \$6,000,000,000 pursuant to subpara-
 8 graph (A), the Board shall promptly submit a
 9 report to the Committee on Banking, Housing,
 10 and Urban Affairs of the Senate and the Com-
 11 mittee on Financial Services of the House of
 12 Representatives describing the reasons and need
 13 for the additional borrowing authority and its
 14 intended uses.”.

15 (d) EXPANDING SYSTEMIC RISK SPECIAL ASSESS-
 16 MENTS.—Section 13(c)(4)(G)(ii) of the Federal Deposit
 17 Insurance Act (12 U.S.C. 1823(c)(4)(G)(ii)) is amended
 18 to read as follows:

19 “(ii) REPAYMENT OF LOSS.—

20 “(I) IN GENERAL.—The Corpora-
 21 tion shall recover the loss to the De-
 22 posit Insurance Fund arising from
 23 any action taken or assistance pro-
 24 vided with respect to an insured de-
 25 pository institution under clause (i)

from 1 or more special assessments on insured depository institutions, depository institution holding companies (with the concurrence of the Secretary of the Treasury with respect to holding companies), or both, as the Corporation determines to be appropriate.

“(II) TREATMENT OF DEPOSITORY INSTITUTION HOLDING COMPANIES.—For purposes of this clause, sections 7(c)(2) and 18(h) shall apply to depository institution holding companies as if they were insured depository institutions.

“(III) REGULATIONS.—The Corporation shall prescribe such regulations as it deems necessary to implement this clause. In prescribing such regulations, defining terms, and setting the appropriate assessment rate or rates, the Corporation shall establish rates sufficient to cover the losses incurred as a result of the actions of the Corporation under clause (i) and shall consider: the types of entities

1 that benefit from any action taken or
 2 assistance provided under this sub-
 3 paragraph; economic conditions, the
 4 effects on the industry, and such
 5 other factors as the Corporation
 6 deems appropriate and relevant to the
 7 action taken or the assistance pro-
 8 vided. Any funds so collected that ex-
 9 ceed actual losses shall be placed in
 10 the Deposit Insurance Fund.”.

11 (e) ESTABLISHMENT OF A NATIONAL CREDIT UNION
 12 SHARE INSURANCE FUND RESTORATION PLAN PE-
 13 RIOD.—Section 202(c)(2) of the Federal Credit Union Act
 14 (12 U.S.C. 1782(c)(2)) is amended by adding at the end
 15 the following new subparagraph:

16 “(D) FUND RESTORATION PLANS.—
 17 “(i) IN GENERAL.—Whenever—
 18 “(I) the Board projects that the
 19 equity ratio of the Fund will, within 6
 20 months of such determination, fall
 21 below the minimum amount specified
 22 in subparagraph (C); or
 23 “(II) the equity ratio of the Fund
 24 actually falls below the minimum
 25 amount specified in subparagraph (C)

1 without any determination under sub-
 2 clause (I) having been made,
 3 the Board shall establish and implement a
 4 restoration plan within 90 days that meets
 5 the requirements of clause (ii) and such
 6 other conditions as the Board determines
 7 to be appropriate.

8 “(ii) REQUIREMENTS OF RESTORA-
 9 TION PLAN.—A restoration plan meets the
 10 requirements of this clause if the plan pro-
 11 vides that the equity ratio of the Fund will
 12 meet or exceed the minimum amount speci-
 13 fied in subparagraph (C) before the end of
 14 the 8-year period beginning upon the im-
 15 plementation of the plan (or such longer
 16 period as the Board may determine to be
 17 necessary due to extraordinary cir-
 18 cumstances).

19 “(iii) TRANSPARENCY.—Not more
 20 than 30 days after the Board establishes
 21 and implements a restoration plan under
 22 clause (i), the Board shall publish in the
 23 Federal Register a detailed analysis of the
 24 factors considered and the basis for the ac-
 25 tions taken with regard to the plan.”.

1 (f) TEMPORARY CORPORATE CREDIT UNION STA-
 2 BILIZATION FUND.—

3 (1) ESTABLISHMENT OF STABILIZATION
 4 FUND.—Title II of the Federal Credit Union Act
 5 (12 U.S.C. 1781 et seq.) is amended by adding at
 6 the end the following new section:

7 **“SEC. 217. TEMPORARY CORPORATE CREDIT UNION STA-**
 8 **BILIZATION FUND.**

9 “(a) ESTABLISHMENT OF STABILIZATION FUND.—
 10 There is hereby created in the Treasury of the United
 11 States a fund to be known as the ‘Temporary Corporate
 12 Credit Union Stabilization Fund.’ The Board will admin-
 13 ister the Stabilization Fund as prescribed by section 209.

14 “(b) EXPENDITURES FROM STABILIZATION FUND.—
 15 Money in the Stabilization Fund shall be available upon
 16 requisition by the Board, without fiscal year limitation, for
 17 making payments for the purposes described in section
 18 203(a), subject to the following additional limitations:

19 “(1) All payments other than administrative
 20 payments shall be connected to the conservatorship,
 21 liquidation, or threatened conservatorship or liquida-
 22 tion, of a corporate credit union.

23 “(2) Prior to authorizing each payment the
 24 Board shall—

1 “(A) certify that, absent the existence of
 2 the Stabilization Fund, the Board would have
 3 made the identical payment out of the National
 4 Credit Union Share Insurance Fund (Insurance
 5 Fund); and

6 “(B) report each such certification to the
 7 Committee on Banking, Housing, and Urban
 8 Affairs of the Senate and the Committee on Fi-
 9 nancial Services of the House of Representa-
 10 tives.

11 “(c) AUTHORITY TO BORROW.—

12 “(1) IN GENERAL.—The Stabilization Fund is
 13 authorized to borrow from the Secretary of the
 14 Treasury from time-to-time as deemed necessary by
 15 the Board. The maximum outstanding amount of all
 16 borrowings from the Treasury by the Stabilization
 17 Fund and the National Credit Union Share Insur-
 18 ance Fund, combined, is limited to the amount pro-
 19 vided for in section 203(d)(1), including any author-
 20 ized increases in that amount.

21 “(2) REPAYMENT OF ADVANCES.—

22 “(A) IN GENERAL.—The advances made
 23 under this section shall be repaid by the Sta-
 24 bilization Fund, and interest on such advance

1 shall be paid, to the General fund of the Treas-
 2 ury.

3 “(B) VARIABLE RATE OF INTEREST.—The
 4 Secretary of the Treasury shall make the first
 5 rate determination at the time of the first ad-
 6 vance under this section and shall reset the rate
 7 again for all advances on each anniversary of
 8 the first advance. The interest rate shall be
 9 equal to the average market yield on out-
 10 standing marketable obligations of the United
 11 States with remaining periods to maturity equal
 12 to 12 months.

13 “(3) REPAYMENT SCHEDULE.—The Stabiliza-
 14 tion Fund shall repay the advances on a first-in,
 15 first-out basis, with interest on the amount repaid,
 16 at times and dates determined by the Board at its
 17 discretion. All advances shall be repaid not later
 18 than the date of the seventh anniversary of the first
 19 advance to the Stabilization Fund, unless the Board
 20 extends this final repayment date. The Board shall
 21 obtain the concurrence of the Secretary of the
 22 Treasury on any proposed extension, including the
 23 terms and conditions of the extended repayment.

24 “(d) ASSESSMENT TO REPAY ADVANCES.—At least
 25 90 days prior to each repayment described in subsection

1 (c)(3), the Board shall set the amount of the upcoming
 2 repayment and determine if the Stabilization Fund will
 3 have sufficient funds to make the repayment. If the Sta-
 4 bilization Fund might not have sufficient funds to make
 5 the repayment, the Board shall assess each federally in-
 6 sured credit union a special premium due and payable
 7 within 60 days in an aggregate amount calculated to en-
 8 sure the Stabilization Fund is able to make the repay-
 9 ment. The premium charge for each credit union shall be
 10 stated as a percentage of its insured shares as represented
 11 on the credit union's previous call report. The percentage
 12 shall be identical for each credit union. Any credit union
 13 that fails to make timely payment of the special premium
 14 is subject to the procedures and penalties described under
 15 subsections (d), (e), and (f) of section 202.

16 “(e) DISTRIBUTIONS FROM INSURANCE FUND.—At
 17 the end of any calendar year in which the Stabilization
 18 Fund has an outstanding advance from the Treasury, the
 19 Insurance Fund is prohibited from making the distribu-
 20 tion to insured credit unions described in section
 21 202(c)(3). In lieu of the distribution described in that sec-
 22 tion, the Insurance Fund shall make a distribution to the
 23 Stabilization Fund of the maximum amount possible that
 24 does not reduce the Insurance Fund's equity ratio below

1 the normal operating level and does not reduce the Insur-
2 ance Fund's available assets ratio below 1.0 percent.

3 “(f) INVESTMENT OF STABILIZATION FUND AS-
4 SETS.—The Board may request the Secretary of the
5 Treasury to invest such portion of the Stabilization Fund
6 as is not, in the Board's judgment, required to meet the
7 current needs of the Stabilization Fund. Such investments
8 shall be made by the Secretary of the Treasury in public
9 debt securities, with maturities suitable to the needs of
10 the Stabilization Fund, as determined by the Board, and
11 bearing interest at a rate determined by the Secretary of
12 the Treasury, taking into consideration current market
13 yields on outstanding marketable obligations of the United
14 States of comparable maturity.

15 “(g) REPORTS.—The Board shall submit an annual
16 report to Congress on the financial condition and the re-
17 sults of the operation of the Stabilization Fund. The re-
18 port is due to Congress within 30 days after each anniver-
19 sary of the first advance made under subsection (c)(1).
20 Because the Fund will use advances from the Treasury
21 to meet corporate stabilization costs with full repayment
22 of borrowings to Treasury at the Board's discretion not
23 due until 7 years from the initial advance, to the extent
24 operating expenses of the Fund exceed income, the finan-
25 cial condition of the Fund may reflect a deficit. With

1 planned and required future repayments, the Board shall
 2 resolve all deficits prior to termination of the Fund.

3 “(h) CLOSING OF STABILIZATION FUND.—Within 90
 4 days following the seventh anniversary of the initial Sta-
 5 bilization Fund advance, or earlier at the Board’s discre-
 6 tion, the Board shall distribute any funds, property, or
 7 other assets remaining in the Stabilization Fund to the
 8 Insurance Fund and shall close the Stabilization Fund.
 9 If the Board extends the final repayment date as per-
 10 mitted under subsection (c)(3), the mandatory date for
 11 closing the Stabilization Fund shall be extended by the
 12 same number of days.”.

13 (2) CONFORMING AMENDMENT.—Section
 14 202(c)(3)(A) of the Federal Credit Union Act (12
 15 U.S.C. 1782(c)(3)(A)) is amended by inserting “,
 16 subject to the requirements of section 217(e),” after
 17 “The Board shall”.

18 **SEC. 205. APPLICATION OF GSE CONFORMING LOAN LIMIT**
 19 **TO MORTGAGES ASSISTED WITH TARP**
 20 **FUNDS.**

21 In making any assistance available to prevent and
 22 mitigate foreclosures on residential properties, including
 23 any assistance for mortgage modifications, using any
 24 amounts made available to the Secretary of the Treasury
 25 under title I of the Emergency Economic Stabilization Act

1 of 2008, the Secretary shall provide that the limitation
 2 on the maximum original principal obligation of a mort-
 3 gage that may be modified, refinanced, made, guaranteed,
 4 insured, or otherwise assisted, using such amounts shall
 5 not be less than the dollar amount limitation on the max-
 6 imum original principal obligation of a mortgage that may
 7 be purchased by the Federal Home Loan Mortgage Cor-
 8 poration that is in effect, at the time that the mortgage
 9 is modified, refinanced, made, guaranteed, insured, or oth-
 10 erwise assisted using such amounts, for the area in which
 11 the property involved in the transaction is located.

12 **SEC. 206. MORTGAGES ON CERTAIN HOMES ON LEASED**
 13 **LAND.**

14 Section 255(b)(4) of the National Housing Act (12
 15 U.S.C. 1715z-20(b)(4)) is amended by striking subpara-
 16 graph (B) and inserting:

17 “(B) under a lease that has a term that
 18 ends no earlier than the minimum number of
 19 years, as specified by the Secretary, beyond the
 20 actuarial life expectancy of the mortgagor or co-
 21 mortgagor, whichever is the later date.”.

22 **SEC. 207. SENSE OF CONGRESS REGARDING MORTGAGE**
 23 **REVENUE BOND PURCHASES.**

24 It is the sense of the Congress that the Secretary of
 25 the Treasury should use amounts made available in this

1 Act to purchase mortgage revenue bonds for single-family
 2 housing issued through State housing finance agencies
 3 and through units of local government and agencies there-
 4 of.

5 **TITLE III—MORTGAGE FRAUD**
 6 **TASK FORCE**

7 **SEC. 301. SENSE OF CONGRESS ON ESTABLISHMENT OF A**
 8 **NATIONWIDE MORTGAGE FRAUD TASK**
 9 **FORCE.**

10 (a) IN GENERAL.—It is the sense of the Congress
 11 that the Department of Justice establish a Nationwide
 12 Mortgage Fraud Task Force (hereinafter referred to in
 13 this section as the “Task Force”) to address mortgage
 14 fraud in the United States.

15 (b) SUPPORT.—If the Department of Justice estab-
 16 lishes the Task Force referred to in subsection (a), it is
 17 the sense of the Congress that the Attorney General
 18 should provide the Task Force with the appropriate staff,
 19 administrative support, and other resources necessary to
 20 carry out the duties of the Task Force.

21 (c) MANDATORY FUNCTIONS.—If the Department of
 22 Justice establishes the Task Force referred to in sub-
 23 section (a), it is the sense of the Congress that the Attor-
 24 ney General should—

1 (1) establish coordinating entities, and solicit
2 the voluntary participation of Federal, State, and
3 local law enforcement and prosecutorial agencies in
4 such entities, to organize initiatives to address mort-
5 gage fraud, including initiatives to enforce State
6 mortgage fraud laws and other related Federal and
7 State laws;

8 (2) provide training to Federal, State, and local
9 law enforcement and prosecutorial agencies with re-
10 spect to mortgage fraud, including related Federal
11 and State laws;

12 (3) collect and disseminate data with respect to
13 mortgage fraud, including Federal, State, and local
14 data relating to mortgage fraud investigations and
15 prosecutions; and

16 (4) perform other functions determined by the
17 Attorney General to enhance the detection of, pre-
18 vention of, and response to mortgage fraud in the
19 United States.

20 (d) OPTIONAL FUNCTIONS.—If the Department of
21 Justice establishes the Task Force referred to in sub-
22 section (a), it is the sense of the Congress that the Task
23 Force should—

24 (1) initiate and coordinate Federal mortgage
25 fraud investigations and, through the coordinating

1 entities described under subsection (c), State and
2 local mortgage fraud investigations;

3 (2) establish a toll-free hotline for—

4 (A) reporting mortgage fraud;

5 (B) providing the public with access to in-
6 formation and resources with respect to mort-
7 gage fraud; and

8 (C) directing reports of mortgage fraud to
9 the appropriate Federal, State, and local law
10 enforcement and prosecutorial agency, including
11 to the appropriate branch of the Task Force es-
12 tablished under subsection (d);

13 (3) create a database with respect to suspen-
14 sions and revocations of mortgage industry licenses
15 and certifications to facilitate the sharing of such in-
16 formation by States;

17 (4) make recommendations with respect to the
18 need for and resources available to provide the
19 equipment and training necessary for the Task
20 Force to combat mortgage fraud; and

21 (5) propose legislation to Federal, State, and
22 local legislative bodies with respect to the elimination
23 and prevention of mortgage fraud, including meas-
24 ures to address mortgage loan procedures and prop-

erty appraiser practices that provide opportunities for mortgage fraud.

TITLE IV—FORECLOSURE MORATORIUM PROVISIONS

SEC. 401. SENSE OF THE CONGRESS ON FORECLOSURES.

(a) IN GENERAL.—It is the sense of the Congress that mortgage holders, institutions, and mortgage servicers should not initiate a foreclosure proceeding or a foreclosure sale on any homeowner until the foreclosure mitigation provisions, like the Hope for Homeowners program, as required under title II, and the President’s “Homeowner Affordability and Stability Plan” have been implemented and determined to be operational by the Secretary of Housing and Urban Development and the Secretary of the Treasury.

(b) SCOPE OF MORATORIUM.—The foreclosure moratorium referred to in subsection (a) should apply only for first mortgages secured by the owner’s principal dwelling.

(c) FHA-REGULATED LOAN MODIFICATION AGREEMENTS.—If a mortgage holder, institution, or mortgage servicer to which subsection (a) applies reaches a loan modification agreement with a homeowner under the auspices of the Federal Housing Administration before any plan referred to in such subsection takes effect, subsection

1 (a) shall cease to apply to such institution as of the effective date of the loan modification agreement.

3 (d) DUTY OF CONSUMER TO MAINTAIN PROPERTY.—Any homeowner for whose benefit any foreclosure proceeding or sale is barred under subsection (a) from being instituted, continued, or consummated with respect to any homeowner mortgage should not, with respect to any property securing such mortgage, destroy, damage, or impair such property, allow the property to deteriorate, or commit waste on the property.

11 (e) DUTY OF CONSUMER TO RESPOND TO REASONABLE INQUIRIES.—Any homeowner for whose benefit any foreclosure proceeding or sale is barred under subsection (a) from being instituted, continued, or consummated with respect to any homeowner mortgage should respond to reasonable inquiries from a creditor or servicer during the period during which such foreclosure proceeding or sale is barred.

19 **SEC. 402. PUBLIC-PRIVATE INVESTMENT PROGRAM; ADDITIONAL APPROPRIATIONS FOR THE SPECIAL**
 20 **INSPECTOR GENERAL FOR THE TROUBLED**
 21 **ASSET RELIEF PROGRAM.**

23 (a) SHORT TITLE.—This section may be cited as the
 24 “Public-Private Investment Program Improvement and
 25 Oversight Act of 2009”.

1 (b) PUBLIC-PRIVATE INVESTMENT PROGRAM.—

2 (1) IN GENERAL.—Any program established by
3 the Federal Government to create a public-private
4 investment fund shall—

5 (A) in consultation with the Special In-
6 spector General of the Trouble Asset Relief
7 Program (in this section referred to as the
8 “Special Inspector General”), impose strict con-
9 flict of interest rules on managers of public-pri-
10 vate investment funds to ensure that securities
11 bought by the funds are purchased in arms-
12 length transactions, that fiduciary duties to
13 public and private investors in the fund are not
14 violated, and that there is full disclosure of rel-
15 evant facts and financial interests (which con-
16 flict of interest rules shall be implemented by
17 the manager of a public-private investment fund
18 prior to such fund receiving Federal Govern-
19 ment financing);

20 (B) require each public-private investment
21 fund to make a quarterly report to the Sec-
22 retary of the Treasury (in this section referred
23 to as the “Secretary”) that discloses the 10
24 largest positions of such fund (which reports
25 shall be publicly disclosed at such time as the

1 Secretary of the Treasury determines that such
2 disclosure will not harm the ongoing business
3 operations of the fund);

4 (C) allow the Special Inspector General ac-
5 cess to all books and records of a public-private
6 investment fund, including all records of finan-
7 cial transactions in machine readable form, and
8 the confidentiality of all such information shall
9 be maintained by the Special Inspector General;

10 (D) require each manager of a public-pri-
11 vate investment fund to retain all books, docu-
12 ments, and records relating to such public-pri-
13 vate investment fund, including electronic mes-
14 sages;

15 (E) require each manager of a public-pri-
16 vate investment fund to acknowledge, in writ-
17 ing, a fiduciary duty to both the public and pri-
18 vate investors in such fund;

19 (F) require each manager of a public-pri-
20 vate investment fund to develop a robust ethics
21 policy that includes methods to ensure compli-
22 ance with such policy;

23 (G) require strict investor screening proce-
24 dures for public-private investment funds; and

(H) require each manager of a public-private investment fund to identify for the Secretary each investor that, individually or together with its affiliates, directly or indirectly holds equity interests in the fund acquired as a result of—

(i) any investment by such investor or any of its affiliates in a vehicle formed for the purpose of directly or indirectly investing in the fund; or

(ii) any other investment decision by such investor or any of its affiliates to directly or indirectly invest in the fund that, in the aggregate, equal at least 10 percent of the equity interests in such fund.

(2) INTERACTION BETWEEN PUBLIC-PRIVATE INVESTMENT FUNDS AND THE TERM-ASSET BACKED SECURITIES LOAN FACILITY.—The Secretary shall consult with the Special Inspector General and shall issue regulations governing the interaction of the Public-Private Investment Program, the Term-Asset Backed Securities Loan Facility, and other similar public-private investment programs. Such regulations shall address concerns regarding the potential

1 for excessive leverage that could result from inter-
2 actions between such programs.

3 (3) REPORT.—Not later than 60 days after the
4 date of the establishment of a program described in
5 paragraph (1), the Special Inspector General shall
6 submit a report to Congress on the implementation
7 of this section.

8 (c) ADDITIONAL APPROPRIATIONS FOR THE SPECIAL
9 INSPECTOR GENERAL.—

10 (1) IN GENERAL.—Of amounts made available
11 under section 115(a) of the Emergency Economic
12 Stabilization Act of 2008 (Public Law 110–343),
13 \$15,000,000 shall be made available to the Special
14 Inspector General, which shall be in addition to
15 amounts otherwise made available to the Special In-
16 spector General.

17 (2) PRIORITIES.—In utilizing funds made avail-
18 able under this section, the Special Inspector Gen-
19 eral shall prioritize the performance of audits or in-
20 vestigations of recipients of non-recourse Federal
21 loans made under the Public Private Investment
22 Program established by the Secretary of the Treas-
23 ury or the Term Asset Loan Facility established by
24 the Board of Governors of the Federal Reserve Sys-
25 tem (including any successor thereto or any other

1 similar program established by the Secretary or the
2 Board), to the extent that such priority is consistent
3 with other aspects of the mission of the Special In-
4 spector General. Such audits or investigations shall
5 determine the existence of any collusion between the
6 loan recipient and the seller or originator of the
7 asset used as loan collateral, or any other conflict of
8 interest that may have led the loan recipient to de-
9 liberately overstate the value of the asset used as
10 loan collateral.

11 (d) RULE OF CONSTRUCTION.—Notwithstanding any
12 other provision of law, nothing in this section shall be con-
13 strued to apply to any activity of the Federal Deposit In-
14 surance Corporation in connection with insured depository
15 institutions, as described in section 13(c)(2)(B) of the
16 Federal Deposit Insurance Act.

17 (e) DEFINITION.—In this section, the term “public-
18 private investment fund” means a financial vehicle that
19 is—

20 (1) established by the Federal Government to
21 purchase pools of loans, securities, or assets from a
22 financial institution described in section 101(a)(1) of
23 the Emergency Economic Stabilization Act of 2008
24 (12 U.S.C. 5211(a)(1)); and

1 (2) funded by a combination of cash or equity
 2 from private investors and funds provided by the
 3 Secretary of the Treasury or funds appropriated
 4 under the Emergency Economic Stabilization Act of
 5 2008.

6 (f) OFFSET OF COSTS OF PROGRAM CHANGES.—Not-
 7 withstanding the amendment made by section 202(b) of
 8 this Act, paragraph (3) of section 115(a) of the Emer-
 9 gency Economic Stabilization Act of 2008 (12 U.S.C.
 10 5225) is amended by inserting “, as such amount is re-
 11 duced by \$2,331,000,000,” after “\$700,000,000,000”.

12 **SEC. 403. REMOVAL OF REQUIREMENT TO LIQUIDATE WAR-**
 13 **RANTS UNDER THE TARP.**

14 Section 111(g) of the Emergency Economic Stabiliza-
 15 tion Act of 2008 (12 U.S.C. 5221(g)) is amended by strik-
 16 ing “shall liquidate warrants associated with such assist-
 17 ance at the current market price” and inserting “, at the
 18 market price, may liquidate warrants associated with such
 19 assistance”.

20 **SEC. 404. NOTIFICATION OF SALE OR TRANSFER OF MORT-**
 21 **GAGE LOANS.**

22 (a) IN GENERAL.—Section 131 of the Truth in Lend-
 23 ing Act (15 U.S.C. 1641) is amended by adding at the
 24 end the following:

25 “(g) NOTICE OF NEW CREDITOR.—

1 “(1) IN GENERAL.—In addition to other disclo-
 2 sures required by this title, not later than 30 days
 3 after the date on which a mortgage loan is sold or
 4 otherwise transferred or assigned to a third party,
 5 the creditor that is the new owner or assignee of the
 6 debt shall notify the borrower in writing of such
 7 transfer, including—

8 “(A) the identity, address, telephone num-
 9 ber of the new creditor;

10 “(B) the date of transfer;

11 “(C) how to reach an agent or party hav-
 12 ing authority to act on behalf of the new cred-
 13 itor;

14 “(D) the location of the place where trans-
 15 fer of ownership of the debt is recorded; and

16 “(E) any other relevant information re-
 17 garding the new creditor.

18 “(2) DEFINITION.—As used in this subsection,
 19 the term ‘mortgage loan’ means any consumer credit
 20 transaction that is secured by the principal dwelling
 21 of a consumer.”.

22 (b) PRIVATE RIGHT OF ACTION.—Section 130(a) of
 23 the Truth in Lending Act (15 U.S.C. 1640(a)) is amended
 24 by inserting “subsection (f) or (g) of section 131,” after
 25 “section 125,”.

TITLE V—FARM LOAN RESTRUCTURING

SEC. 501. CONGRESSIONAL OVERSIGHT PANEL SPECIAL REPORT.

Section 125(b) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5233(b)) is amended by adding at the end the following:

“(3) SPECIAL REPORT ON FARM LOAN RESTRUCTURING.—Not later than 60 days after the date of enactment of this paragraph, the Oversight Panel shall submit a special report on farm loan restructuring that—

“(A) analyzes the state of the commercial farm credit markets and the use of loan restructuring as an alternative to foreclosure by recipients of financial assistance under the Troubled Asset Relief Program; and

“(B) includes an examination of and recommendation on the different methods for farm loan restructuring that could be used as part of a foreclosure mitigation program for farm loans made by recipients of financial assistance under the Troubled Asset Relief Program, including any programs for direct loan restructuring or modification carried out by the Farm Service

1 Agency of the Department of Agriculture, the
 2 farm credit system, and the Making Home Af-
 3 fordable Program of the Department of the
 4 Treasury.”.

5 **TITLE VI—ENHANCED OVER-**
 6 **SIGHT OF THE TROUBLED**
 7 **ASSET RELIEF PROGRAM**

8 **SEC. 601. ENHANCED OVERSIGHT OF THE TROUBLED**
 9 **ASSET RELIEF PROGRAM.**

10 Section 116 of the Emergency Economic Stabilization
 11 Act of 2008 (12 U.S.C. 5226) is amended—

12 (1) in subsection (a)(1)(A)—

13 (A) in clause (iii), by striking “and” at the
 14 end;

15 (B) in clause (iv), by striking the period at
 16 the end and inserting “; and”; and

17 (C) by adding at the end the following:

18 “(v) public accountability for the exer-
 19 cise of such authority, including with re-
 20 spect to actions taken by those entities
 21 participating in programs established
 22 under this Act.”; and

23 (2) in subsection (a)(2)—

24 (A) by redesignating subparagraph (C) as
 25 subparagraph (F); and

1 (B) by striking subparagraphs (A) and (B)
 2 and inserting the following:

3 “(A) DEFINITION.—In this paragraph, the
 4 term ‘governmental unit’ has the meaning given
 5 under section 101(27) of title 11, United States
 6 Code, and does not include any insured deposi-
 7 tory institution as defined under section 3 of
 8 the Federal Deposit Insurance Act (12 U.S.C.
 9 8113).

10 “(B) GAO PRESENCE.—The Secretary
 11 shall provide the Comptroller General with ap-
 12 propriate space and facilities in the Department
 13 of the Treasury as necessary to facilitate over-
 14 sight of the TARP until the termination date
 15 established in section 5230 of this title.

16 “(C) ACCESS TO RECORDS.—

17 “(i) IN GENERAL.—Notwithstanding
 18 any other provision of law, and for pur-
 19 poses of reviewing the performance of the
 20 TARP, the Comptroller General shall have
 21 access, upon request, to any information,
 22 data, schedules, books, accounts, financial
 23 records, reports, files, electronic commu-
 24 nications, or other papers, things, or prop-
 25 erty belonging to or in use by the TARP,

any entity established by the Secretary under this Act, any entity that is established by a Federal reserve bank and receives funding from the TARP, or any entity (other than a governmental unit) participating in a program established under the authority of this Act, and to the officers, employees, directors, independent public accountants, financial advisors and any and all other agents and representatives thereof, at such time as the Comptroller General may request.

“(ii) VERIFICATION.—The Comptroller General shall be afforded full facilities for verifying transactions with the balances or securities held by, among others, depositories, fiscal agents, and custodians.

“(iii) COPIES.—The Comptroller General may make and retain copies of such books, accounts, and other records as the Comptroller General determines appropriate.

“(D) AGREEMENT BY ENTITIES.—Each contract, term sheet, or other agreement between the Secretary or the TARP (or any

TARP vehicle, officer, director, employee, independent public accountant, financial advisor, or other TARP agent or representative) and an entity (other than a governmental unit) participating in a program established under this Act shall provide for access by the Comptroller General in accordance with this section.

“(E) RESTRICTION ON PUBLIC DISCLOSURE.—

“(i) IN GENERAL.—The Comptroller General may not publicly disclose proprietary or trade secret information obtained under this section.

“(ii) EXCEPTION FOR CONGRESSIONAL COMMITTEES.—This subparagraph does not limit disclosures to congressional committees or members thereof having jurisdiction over a private or public entity referred to under subparagraph (C).

“(iii) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter or amend the prohibitions against the disclosure of trade secrets or other information prohibited by section 1905 of title 18, United States Code, section

1 714(c) of title 31, United States Code, or
 2 other applicable provisions of law.”.

3 **TITLE VII—PROTECTING**
 4 **TENANTS AT FORECLOSURE ACT**

5 **SEC. 701. SHORT TITLE.**

6 This title may be cited as the “Protecting Tenants
 7 at Foreclosure Act of 2009”.

8 **SEC. 702. EFFECT OF FORECLOSURE ON PREEXISTING TEN-**
 9 **ANCY.**

10 (a) IN GENERAL.—In the case of any foreclosure on
 11 a federally-related mortgage loan or on any dwelling or
 12 residential real property after the date of enactment of
 13 this title, any immediate successor in interest in such
 14 property pursuant to the foreclosure shall assume such in-
 15 terest subject to—

16 (1) the provision, by such successor in interest
 17 of a notice to vacate to any bona fide tenant at least
 18 90 days before the effective date of such notice; and

19 (2) the rights of any bona fide tenant, as of the
 20 date of such notice of foreclosure—

21 (A) under any bona fide lease entered into
 22 before the notice of foreclosure to occupy the
 23 premises until the end of the remaining term of
 24 the lease, except that a successor in interest
 25 may terminate a lease effective on the date of

1 sale of the unit to a purchaser who will occupy
 2 the unit as a primary residence, subject to the
 3 receipt by the tenant of the 90 day notice under
 4 paragraph (1); or

5 (B) without a lease or with a lease ter-
 6 minable at will under State law, subject to the
 7 receipt by the tenant of the 90 day notice under
 8 subsection (1),

9 except that nothing under this section shall affect
 10 the requirements for termination of any Federal- or
 11 State-subsidized tenancy or of any State or local law
 12 that provides longer time periods or other additional
 13 protections for tenants.

14 (b) BONA FIDE LEASE OR TENANCY.—For purposes
 15 of this section, a lease or tenancy shall be considered bona
 16 fide only if—

17 (1) the mortgagor under the contract is not the
 18 tenant;

19 (2) the lease or tenancy was the result of an
 20 arms-length transaction; or

21 (3) the lease or tenancy requires the receipt of
 22 rent that is not substantially less than fair market
 23 rent for the property.

24 (c) DEFINITION.—For purposes of this section, the
 25 term “federally-related mortgage loan” has the same

1 meaning as in section 3 of the Real Estate Settlement
 2 Procedures Act of 1974 (12 U.S.C. 2602).

3 **SEC. 703. EFFECT OF FORECLOSURE ON SECTION 8 TENAN-**
 4 **CIES.**

5 Section 8(o)(7) of the United States Housing Act of
 6 1937 (42 U.S.C. 1437f(o)(7)) is amended—

7 (1) by inserting before the semicolon in sub-
 8 paragraph (C) the following: “and in the case of an
 9 owner who is an immediate successor in interest
 10 pursuant to foreclosure during the initial term of the
 11 lease vacating the property prior to sale shall not
 12 constitute other good cause, except that the owner
 13 may terminate the tenancy effective on the date of
 14 transfer of the unit to the owner if the owner—

15 “(i) will occupy the unit as a primary
 16 residence; and

17 “(ii) has provided the tenant a notice
 18 to vacate at least 90 days before the effec-
 19 tive date of such notice.”; and

20 (2) by inserting at the end of subparagraph (F)
 21 the following: “In the case of any foreclosure on any
 22 federally-related mortgage loan (as that term is de-
 23 fined in section 3 of the Real Estate Settlement Pro-
 24 cedures Act of 1974 (12 U.S.C. 2602)) or on any
 25 residential real property in which a recipient of as-

1 sistance under this subsection resides, the immediate
 2 successor in interest in such property pursuant to
 3 the foreclosure shall assume such interest subject to
 4 the lease between the prior owner and the tenant
 5 and to the housing assistance payments contract be-
 6 tween the prior owner and the public housing agency
 7 for the occupied unit, except that this provision and
 8 the provisions related to foreclosure in subparagraph
 9 (C) shall not shall not affect any State or local law
 10 that provides longer time periods or other additional
 11 protections for tenants.”.

12 **SEC. 704. SUNSET.**

13 This title, and any amendments made by this title
 14 are repealed, and the requirements under this title shall
 15 terminate, on December 31, 2012.

16 **TITLE VIII—COMPTROLLER GEN-**
 17 **ERAL ADDITIONAL AUDIT AU-**
 18 **THORITIES**

19 **SEC. 801. COMPTROLLER GENERAL ADDITIONAL AUDIT AU-**
 20 **THORITIES.**

21 (a) BOARD OF GOVERNORS OF THE FEDERAL RE-
 22 SERVE SYSTEM.—Section 714 of title 31, United States
 23 Code, is amended—

24 (1) in subsection (a), by striking “Federal Re-
 25 serve Board,” and inserting “Board of Governors of

1 the Federal Reserve System (in this section referred
2 to as the ‘Board’),”; and

3 (2) in subsection (b)—

4 (A) in the matter preceding paragraph (1),
5 by striking “Federal Reserve Board,” and in-
6 serting “Board”; and

7 (B) in paragraph (4), by striking “of Gov-
8 ernors”.

9 (b) CONFIDENTIAL INFORMATION.—Section 714(c)
10 of title 31, United States Code, is amended by striking
11 paragraph (3) and inserting the following:

12 “(3) Except as provided under paragraph (4),
13 an officer or employee of the Government Account-
14 ability Office may not disclose to any person outside
15 the Government Accountability Office information
16 obtained in audits or examinations conducted under
17 subsection (e) and maintained as confidential by the
18 Board or the Federal reserve banks.

19 “(4) This subsection shall not—

20 “(A) authorize an officer or employee of an
21 agency to withhold information from any com-
22 mittee or subcommittee of jurisdiction of Con-
23 gress, or any member of such committee or sub-
24 committee; or

1 “(B) limit any disclosure by the Govern-
 2 ment Accountability Office to any committee or
 3 subcommittee of jurisdiction of Congress, or
 4 any member of such committee or sub-
 5 committee.”.

6 (c) ACCESS TO RECORDS.—Section 714(d) of title 31,
 7 United States Code, is amended—

8 (1) in paragraph (1), by inserting “The Comp-
 9 troller General shall have access to the officers, em-
 10 ployees, contractors, and other agents and represent-
 11 atives of an agency and any entity established by an
 12 agency at any reasonable time as the Comptroller
 13 General may request. The Comptroller General may
 14 make and retain copies of such books, accounts, and
 15 other records as the Comptroller General determines
 16 appropriate.” after the first sentence;

17 (2) in paragraph (2), by inserting “, copies of
 18 any record,” after “records”; and

19 (3) by adding at the end the following:

20 “(3)(A) For purposes of conducting audits and
 21 examinations under subsection (e), the Comptroller
 22 General shall have access, upon request, to any in-
 23 formation, data, schedules, books, accounts, financial
 24 records, reports, files, electronic communications, or

1 other papers, things or property belonging to or in
 2 use by—

3 “(i) any entity established by any action
 4 taken by the Board described under subsection
 5 (e);

6 “(ii) any entity receiving assistance from
 7 any action taken by the Board described under
 8 subsection (e), to the extent that the access and
 9 request relates to that assistance; and

10 “(iii) the officers, directors, employees,
 11 independent public accountants, financial advi-
 12 sors and any and all representatives of any en-
 13 tity described under clause (i) or (ii); to the ex-
 14 tent that the access and request relates to that
 15 assistance;

16 “(B) The Comptroller General shall have access
 17 as provided under subparagraph (A) at such time as
 18 the Comptroller General may request.

19 “(C) Each contract, term sheet, or other agree-
 20 ment between the Board or any Federal reserve
 21 bank (or any entity established by the Board or any
 22 Federal reserve bank) and an entity receiving assist-
 23 ance from any action taken by the Board described
 24 under subsection (e) shall provide for access by the

1 Comptroller General in accordance with this para-
 2 graph.”.

3 (d) AUDITS OF CERTAIN ACTIONS OF THE BOARD
 4 OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.—
 5 Section 714 of title 31, United States Code, is amended
 6 by adding at the end the following:

7 “(e) Notwithstanding subsection (b), the Comptroller
 8 General may conduct audits, including onsite examina-
 9 tions when the Comptroller General determines such au-
 10 dits and examinations are appropriate, of any action taken
 11 by the Board under the third undesignated paragraph of
 12 section 13 of the Federal Reserve Act (12 U.S.C. 343);
 13 with respect to a single and specific partnership or cor-
 14 poration.”.

15 **DIVISION B—HOMELESSNESS** 16 **REFORM**

17 **SEC. 1001. SHORT TITLE; TABLE OF CONTENTS.**

18 (a) SHORT TITLE.—This division may be cited as the
 19 “Homeless Emergency Assistance and Rapid Transition
 20 to Housing Act of 2009”.

21 (b) TABLE OF CONTENTS.—The table of contents for
 22 this division is as follows:

DIVISION B—HOMELESSNESS REFORM

Sec. 1001. Short title; table of contents.

Sec. 1002. Findings and purposes.

Sec. 1003. Definition of homelessness.

Sec. 1004. United States Interagency Council on Homelessness.

TITLE I—HOUSING ASSISTANCE GENERAL PROVISIONS

- Sec. 1101. Definitions.
- Sec. 1102. Community homeless assistance planning boards.
- Sec. 1103. General provisions.
- Sec. 1104. Protection of personally identifying information by victim service providers.
- Sec. 1105. Authorization of appropriations.

TITLE II—EMERGENCY SOLUTIONS GRANTS PROGRAM

- Sec. 1201. Grant assistance.
- Sec. 1202. Eligible activities.
- Sec. 1203. Participation in Homeless Management Information System.
- Sec. 1204. Administrative provision.
- Sec. 1205. GAO study of administrative fees.

TITLE III—CONTINUUM OF CARE PROGRAM

- Sec. 1301. Continuum of care.
- Sec. 1302. Eligible activities.
- Sec. 1303. High performing communities.
- Sec. 1304. Program requirements.
- Sec. 1305. Selection criteria, allocation amounts, and funding.
- Sec. 1306. Research.

TITLE IV—RURAL HOUSING STABILITY ASSISTANCE PROGRAM

- Sec. 1401. Rural housing stability assistance.
- Sec. 1402. GAO study of homelessness and homeless assistance in rural areas.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

- Sec. 1501. Repeals.
- Sec. 1502. Conforming amendments.
- Sec. 1503. Effective date.
- Sec. 1504. Regulations.
- Sec. 1505. Amendment to table of contents.

1 **SEC. 1002. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) a lack of affordable housing and limited
 4 scale of housing assistance programs are the pri-
 5 mary causes of homelessness; and

6 (2) homelessness affects all types of commu-
 7 nities in the United States, including rural, urban,
 8 and suburban areas.

9 (b) PURPOSES.—The purposes of this division are—

1 (1) to consolidate the separate homeless assist-
 2 ance programs carried out under title IV of the
 3 McKinney-Vento Homeless Assistance Act (con-
 4 sisting of the supportive housing program and re-
 5 lated innovative programs, the safe havens program,
 6 the section 8 assistance program for single-room oc-
 7 cupancy dwellings, and the shelter plus care pro-
 8 gram) into a single program with specific eligible ac-
 9 tivities;

10 (2) to codify in Federal law the continuum of
 11 care planning process as a required and integral
 12 local function necessary to generate the local strate-
 13 gies for ending homelessness; and

14 (3) to establish a Federal goal of ensuring that
 15 individuals and families who become homeless return
 16 to permanent housing within 30 days.

17 **SEC. 1003. DEFINITION OF HOMELESSNESS.**

18 (a) IN GENERAL.—Section 103 of the McKinney-
 19 Vento Homeless Assistance Act (42 U.S.C. 11302) is
 20 amended—

21 (1) by redesignating subsections (b) and (c) as
 22 subsections (c) and (d); and

23 (2) by striking subsection (a) and inserting the
 24 following:

1 “(a) IN GENERAL.—For purposes of this Act, the
 2 terms ‘homeless’, ‘homeless individual’, and ‘homeless per-
 3 son’ means—

4 “(1) an individual or family who lacks a fixed,
 5 regular, and adequate nighttime residence;

6 “(2) an individual or family with a primary
 7 nighttime residence that is a public or private place
 8 not designed for or ordinarily used as a regular
 9 sleeping accommodation for human beings, including
 10 a car, park, abandoned building, bus or train sta-
 11 tion, airport, or camping ground;

12 “(3) an individual or family living in a super-
 13 vised publicly or privately operated shelter des-
 14 ignated to provide temporary living arrangements
 15 (including hotels and motels paid for by Federal,
 16 State, or local government programs for low-income
 17 individuals or by charitable organizations, con-
 18 gregate shelters, and transitional housing);

19 “(4) an individual who resided in a shelter or
 20 place not meant for human habitation and who is
 21 exiting an institution where he or she temporarily
 22 resided;

23 “(5) an individual or family who—

24 “(A) will imminently lose their housing, in-
 25 cluding housing they own, rent, or live in with-

1 out paying rent, are sharing with others, and
2 rooms in hotels or motels not paid for by Fed-
3 eral, State, or local government programs for
4 low-income individuals or by charitable organi-
5 zations, as evidenced by—

6 “(i) a court order resulting from an
7 eviction action that notifies the individual
8 or family that they must leave within 14
9 days;

10 “(ii) the individual or family having a
11 primary nighttime residence that is a room
12 in a hotel or motel and where they lack the
13 resources necessary to reside there for
14 more than 14 days; or

15 “(iii) credible evidence indicating that
16 the owner or renter of the housing will not
17 allow the individual or family to stay for
18 more than 14 days, and any oral statement
19 from an individual or family seeking home-
20 less assistance that is found to be credible
21 shall be considered credible evidence for
22 purposes of this clause;

23 “(B) has no subsequent residence identi-
24 fied; and

1 “(C) lacks the resources or support net-
 2 works needed to obtain other permanent hous-
 3 ing; and

4 “(6) unaccompanied youth and homeless fami-
 5 lies with children and youth defined as homeless
 6 under other Federal statutes who—

7 “(A) have experienced a long term period
 8 without living independently in permanent
 9 housing,

10 “(B) have experienced persistent instability
 11 as measured by frequent moves over such pe-
 12 riod, and

13 “(C) can be expected to continue in such
 14 status for an extended period of time because of
 15 chronic disabilities, chronic physical health or
 16 mental health conditions, substance addiction,
 17 histories of domestic violence or childhood
 18 abuse, the presence of a child or youth with a
 19 disability, or multiple barriers to employment.

20 “(b) DOMESTIC VIOLENCE AND OTHER DANGEROUS
 21 OR LIFE-THREATENING CONDITIONS.—Notwithstanding
 22 any other provision of this section, the Secretary shall con-
 23 sider to be homeless any individual or family who is flee-
 24 ing, or is attempting to flee, domestic violence, dating vio-
 25 lence, sexual assault, stalking, or other dangerous or life-

1 threatening conditions in the individual’s or family’s cur-
 2 rent housing situation, including where the health and
 3 safety of children are jeopardized, and who have no other
 4 residence and lack the resources or support networks to
 5 obtain other permanent housing.”.

6 (b) REGULATIONS.—Not later than the expiration of
 7 the 6-month period beginning upon the date of the enact-
 8 ment of this division, the Secretary of Housing and Urban
 9 Development shall issue regulations that provide sufficient
 10 guidance to recipients of funds under title IV of the
 11 McKinney-Vento Homeless Assistance Act to allow uni-
 12 form and consistent implementation of the requirements
 13 of section 103 of such Act, as amended by subsection (a)
 14 of this section. This subsection shall take effect on the
 15 date of the enactment of this division.

16 (c) CLARIFICATION OF EFFECT ON OTHER LAWS.—
 17 This section and the amendments made by this section
 18 to section 103 of the McKinney-Vento Homeless Assist-
 19 ance Act (42 U.S.C. 11302) may not be construed to af-
 20 fect, alter, limit, annul, or supersede any other provision
 21 of Federal law providing a definition of “homeless”,
 22 “homeless individual”, or “homeless person” for purposes
 23 other than such Act, except to the extent that such provi-
 24 sion refers to such section 103 or the definition provided
 25 in such section 103.

1 **SEC. 1004. UNITED STATES INTERAGENCY COUNCIL ON**
 2 **HOMELESSNESS.**

3 (a) IN GENERAL.—Title II of the McKinney-Vento
 4 Homeless Assistance Act (42 U.S.C. 11311 et seq.) is
 5 amended—

6 (1) in section 201 (42 U.S.C. 11311), by insert-
 7 ing before the period at the end the following
 8 “whose mission shall be to coordinate the Federal
 9 response to homelessness and to create a national
 10 partnership at every level of government and with
 11 the private sector to reduce and end homelessness in
 12 the nation while maximizing the effectiveness of the
 13 Federal Government in contributing to the end of
 14 homelessness”;

15 (2) in section 202 (42 U.S.C. 11312)—

16 (A) in subsection (a)—

17 (i) by redesignating paragraph (16) as
 18 paragraph (22); and

19 (ii) by inserting after paragraph (15)
 20 the following:

21 “(16) The Commissioner of Social Security, or
 22 the designee of the Commissioner.

23 “(17) The Attorney General of the United
 24 States, or the designee of the Attorney General.

25 “(18) The Director of the Office of Manage-
 26 ment and Budget, or the designee of the Director.

1 “(19) The Director of the Office of Faith-Based
2 and Community Initiatives, or the designee of the
3 Director.

4 “(20) The Director of USA FreedomCorps, or
5 the designee of the Director.”;

6 (B) in subsection (c), by striking “annu-
7 ally” and inserting “four times each year, and
8 the rotation of the positions of Chairperson and
9 Vice Chairperson required under subsection (b)
10 shall occur at the first meeting of each year”;
11 and

12 (C) by adding at the end the following:

13 “(e) ADMINISTRATION.—The Executive Director of
14 the Council shall report to the Chairman of the Council.”;

15 (3) in section 203(a) (42 U.S.C. 11313(a))—

16 (A) by redesignating paragraphs (1), (2),
17 (3), (4), (5), (6), and (7) as paragraphs (2),
18 (3), (4), (5), (9), (10), and (11), respectively;

19 (B) by inserting before paragraph (2), as
20 so redesignated by subparagraph (A), the fol-
21 lowing:

22 “(1) not later than 12 months after the date of
23 the enactment of the Homeless Emergency Assist-
24 ance and Rapid Transition to Housing Act of 2009,
25 develop, make available for public comment, and

1 submit to the President and to Congress a National
 2 Strategic Plan to End Homelessness, and shall up-
 3 date such plan annually;”;

4 (C) in paragraph (5), as redesignated by
 5 subparagraph (A), by striking “at least 2, but
 6 in no case more than 5” and inserting “not less
 7 than 5, but in no case more than 10”;

8 (D) by inserting after paragraph (5), as so
 9 redesignated by subparagraph (A), the fol-
 10 lowing:

11 “(6) encourage the creation of State Inter-
 12 agency Councils on Homelessness and the formula-
 13 tion of jurisdictional 10-year plans to end homeless-
 14 ness at State, city, and county levels;

15 “(7) annually obtain from Federal agencies
 16 their identification of consumer-oriented entitlement
 17 and other resources for which persons experiencing
 18 homelessness may be eligible and the agencies’ iden-
 19 tification of improvements to ensure access; develop
 20 mechanisms to ensure access by persons experi-
 21 encing homelessness to all Federal, State, and local
 22 programs for which the persons are eligible, and to
 23 verify collaboration among entities within a commu-
 24 nity that receive Federal funding under programs
 25 targeted for persons experiencing homelessness, and

1 other programs for which persons experiencing
 2 homelessness are eligible, including mainstream pro-
 3 grams identified by the Government Accountability
 4 Office in the reports entitled ‘Homelessness: Coordi-
 5 nation and Evaluation of Programs Are Essential’,
 6 issued February 26, 1999, and ‘Homelessness: Bar-
 7 riers to Using Mainstream Programs’, issued July 6,
 8 2000;

9 “(8) conduct research and evaluation related to
 10 its functions as defined in this section;

11 “(9) develop joint Federal agency and other ini-
 12 tiatives to fulfill the goals of the agency;”;

13 (E) in paragraph (10), as so redesignated
 14 by subparagraph (A), by striking “and” at the
 15 end;

16 (F) in paragraph (11), as so redesignated
 17 by subparagraph (A), by striking the period at
 18 the end and inserting a semicolon;

19 (G) by adding at the end the following new
 20 paragraphs:

21 “(12) develop constructive alternatives to crim-
 22 inalizing homelessness and eliminate laws and poli-
 23 cies that prohibit sleeping, feeding, sitting, resting,
 24 or lying in public spaces when there are no suitable
 25 alternatives, result in the destruction of a homeless

1 person's property without due process, or are selec-
2 tively enforced against homeless persons; and

3 “(13) not later than the expiration of the 6-
4 month period beginning upon completion of the
5 study requested in a letter to the Acting Comptroller
6 General from the Chair and Ranking Member of the
7 House Financial Services Committee and several
8 other members regarding various definitions of
9 homelessness in Federal statutes, convene a meeting
10 of representatives of all Federal agencies and com-
11 mittees of the House of Representatives and the
12 Senate having jurisdiction over any Federal program
13 to assist homeless individuals or families, local and
14 State governments, academic researchers who spe-
15 cialize in homelessness, nonprofit housing and serv-
16 ice providers that receive funding under any Federal
17 program to assist homeless individuals or families,
18 organizations advocating on behalf of such nonprofit
19 providers and homeless persons receiving housing or
20 services under any such Federal program, and home-
21 less persons receiving housing or services under any
22 such Federal program, at which meeting such rep-
23 resentatives shall discuss all issues relevant to
24 whether the definitions of ‘homeless’ under para-
25 graphs (1) through (4) of section 103(a) of the

1 McKinney-Vento Homeless Assistance Act, as
 2 amended by section 1003 of the Homeless Emer-
 3 gency Assistance and Rapid Transition to Housing
 4 Act of 2009, should be modified by the Congress, in-
 5 cluding whether there is a compelling need for a uni-
 6 form definition of homelessness under Federal law,
 7 the extent to which the differences in such defini-
 8 tions create barriers for individuals to accessing
 9 services and to collaboration between agencies, and
 10 the relative availability, and barriers to access by
 11 persons defined as homeless, of mainstream pro-
 12 grams identified by the Government Accountability
 13 Office in the two reports identified in paragraph (7)
 14 of this subsection; and shall submit transcripts of
 15 such meeting, and any majority and dissenting rec-
 16 ommendations from such meetings, to each com-
 17 mittee of the House of Representatives and the Sen-
 18 ate having jurisdiction over any Federal program to
 19 assist homeless individuals or families not later than
 20 the expiration of the 60-day period beginning upon
 21 conclusion of such meeting.”.

22 (4) in section 203(b)(1) (42 U.S.C.
 23 11313(b))—

24 (A) by striking “Federal” and inserting
 25 “national”;

1 (B) by striking “; and” and inserting “and
 2 pay for expenses of attendance at meetings
 3 which are concerned with the functions or ac-
 4 tivities for which the appropriation is made;”;

5 (5) in section 205(d) (42 U.S.C. 11315(d)), by
 6 striking “property.” and inserting “property, both
 7 real and personal, public and private, without fiscal
 8 year limitation, for the purpose of aiding or facili-
 9 tating the work of the Council.”; and

10 (6) by striking section 208 (42 U.S.C. 11318)
 11 and inserting the following:

12 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

13 “There are authorized to be appropriated to carry out
 14 this title \$3,000,000 for fiscal year 2010 and such sums
 15 as may be necessary for fiscal years 2011. Any amounts
 16 appropriated to carry out this title shall remain available
 17 until expended.”.

18 (b) **EFFECTIVE DATE.**—The amendments made by
 19 subsection (a) shall take effect on, and shall apply begin-
 20 ning on, the date of the enactment of this division.

1 **TITLE I—HOUSING ASSISTANCE**
 2 **GENERAL PROVISIONS**

3 **SEC. 1101. DEFINITIONS.**

4 Subtitle A of title IV of the McKinney-Vento Home-
 5 less Assistance Act (42 U.S.C. 11361 et seq.) is amend-
 6 ed—

7 (1) by striking the subtitle heading and insert-
 8 ing the following:

9 **“Subtitle A—General Provisions”;**

10 (2) by redesignating sections 401 and 402 (42
 11 U.S.C. 11361, 11362) as sections 403 and 406, re-
 12 spectively; and

13 (3) by inserting before section 403 (as so redes-
 14 igned by paragraph (2) of this section) the fol-
 15 lowing new section:

16 **“SEC. 401. DEFINITIONS.**

17 “For purposes of this title:

18 “(1) AT RISK OF HOMELESSNESS.—The term
 19 ‘at risk of homelessness’ means, with respect to an
 20 individual or family, that the individual or family—

21 “(A) has income below 30 percent of me-
 22 dian income for the geographic area;

23 “(B) has insufficient resources immediately
 24 available to attain housing stability; and

1 “(C)(i) has moved frequently because of
2 economic reasons;

3 “(ii) is living in the home of another be-
4 cause of economic hardship;

5 “(iii) has been notified that their right to
6 occupy their current housing or living situation
7 will be terminated;

8 “(iv) lives in a hotel or motel;

9 “(v) lives in severely overcrowded housing;

10 “(vi) is exiting an institution; or

11 “(vii) otherwise lives in housing that has
12 characteristics associated with instability and
13 an increased risk of homelessness.

14 Such term includes all families with children
15 and youth defined as homeless under other
16 Federal statutes.

17 “(2) CHRONICALLY HOMELESS.—

18 “(A) IN GENERAL.—The term ‘chronically
19 homeless’ means, with respect to an individual
20 or family, that the individual or family—

21 “(i) is homeless and lives or resides in
22 a place not meant for human habitation, a
23 safe haven, or in an emergency shelter;

24 “(ii) has been homeless and living or
25 residing in a place not meant for human

habitation, a safe haven, or in an emergency shelter continuously for at least 1 year or on at least 4 separate occasions in the last 3 years; and

“(iii) has an adult head of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002)), post traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the co-occurrence of 2 or more of those conditions.

“(B) RULE OF CONSTRUCTION.—A person who currently lives or resides in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital or other similar facility, and has resided there for fewer than 90 days shall be considered chronically homeless if such person met all of the re-

1 quirements described in subparagraph (A) prior
2 to entering that facility.

3 “(3) COLLABORATIVE APPLICANT.—The term
4 ‘collaborative applicant’ means an entity that—

5 “(A) carries out the duties specified in sec-
6 tion 402;

7 “(B) serves as the applicant for project
8 sponsors who jointly submit a single application
9 for a grant under subtitle C in accordance with
10 a collaborative process; and

11 “(C) if the entity is a legal entity and is
12 awarded such grant, receives such grant di-
13 rectly from the Secretary.

14 “(4) COLLABORATIVE APPLICATION.—The term
15 ‘collaborative application’ means an application for a
16 grant under subtitle C that—

17 “(A) satisfies section 422; and

18 “(B) is submitted to the Secretary by a
19 collaborative applicant.

20 “(5) CONSOLIDATED PLAN.—The term ‘Con-
21 solidated Plan’ means a comprehensive housing af-
22 fordability strategy and community development
23 plan required in part 91 of title 24, Code of Federal
24 Regulations.

1 “(6) ELIGIBLE ENTITY.—The term ‘eligible en-
 2 tity’ means, with respect to a subtitle, a public enti-
 3 ty, a private entity, or an entity that is a combina-
 4 tion of public and private entities, that is eligible to
 5 directly receive grant amounts under such subtitle.

6 “(7) FAMILIES WITH CHILDREN AND YOUTH
 7 DEFINED AS HOMELESS UNDER OTHER FEDERAL
 8 STATUTES.—The term ‘families with children and
 9 youth defined as homeless under other Federal stat-
 10 utes’ means any children or youth that are defined
 11 as ‘homeless’ under any Federal statute other than
 12 this subtitle, but are not defined as homeless under
 13 section 103, and shall also include the parent, par-
 14 ents, or guardian of such children or youth under
 15 subtitle B of title VII this Act (42 U.S.C. 11431 et
 16 seq.).

17 “(8) GEOGRAPHIC AREA.—The term ‘geo-
 18 graphic area’ means a State, metropolitan city,
 19 urban county, town, village, or other nonentitlement
 20 area, or a combination or consortia of such, in the
 21 United States, as described in section 106 of the
 22 Housing and Community Development Act of 1974
 23 (42 U.S.C. 5306).

24 “(9) HOMELESS INDIVIDUAL WITH A DIS-
 25 ABILITY.—

“(A) IN GENERAL.—The term ‘homeless individual with a disability’ means an individual who is homeless, as defined in section 103, and has a disability that—

“(i)(I) is expected to be long-continuing or of indefinite duration;

“(II) substantially impedes the individual’s ability to live independently;

“(III) could be improved by the provision of more suitable housing conditions; and

“(IV) is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post traumatic stress disorder, or brain injury;

“(ii) is a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002); or

“(iii) is the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agency for acquired immunodeficiency syndrome.

“(B) RULE.—Nothing in clause (iii) of subparagraph (A) shall be construed to limit

1 eligibility under clause (i) or (ii) of subpara-
 2 graph (A).

3 “(10) LEGAL ENTITY.—The term ‘legal entity’
 4 means—

5 “(A) an entity described in section
 6 501(c)(3) of the Internal Revenue Code of 1986
 7 (26 U.S.C. 501(c)(3)) and exempt from tax
 8 under section 501(a) of such Code;

9 “(B) an instrumentality of State or local
 10 government; or

11 “(C) a consortium of instrumentalities of
 12 State or local governments that has constituted
 13 itself as an entity.

14 “(11) METROPOLITAN CITY; URBAN COUNTY;
 15 NONENTITLEMENT AREA.—The terms ‘metropolitan
 16 city’, ‘urban county’, and ‘nonentitlement area’ have
 17 the meanings given such terms in section 102(a) of
 18 the Housing and Community Development Act of
 19 1974 (42 U.S.C. 5302(a)).

20 “(12) NEW.—The term ‘new’ means, with re-
 21 spect to housing, that no assistance has been pro-
 22 vided under this title for the housing.

23 “(13) OPERATING COSTS.—The term ‘operating
 24 costs’ means expenses incurred by a project sponsor

1 operating transitional housing or permanent housing
 2 under this title with respect to—

3 “(A) the administration, maintenance, re-
 4 pair, and security of such housing;

5 “(B) utilities, fuel, furnishings, and equip-
 6 ment for such housing; or

7 “(C) coordination of services as needed to
 8 ensure long-term housing stability.

9 “(14) OUTPATIENT HEALTH SERVICES.—The
 10 term ‘outpatient health services’ means outpatient
 11 health care services, mental health services, and out-
 12 patient substance abuse services.

13 “(15) PERMANENT HOUSING.—The term ‘per-
 14 manent housing’ means community-based housing
 15 without a designated length of stay, and includes
 16 both permanent supportive housing and permanent
 17 housing without supportive services.

18 “(16) PERSONALLY IDENTIFYING INFORMA-
 19 TION.—The term ‘personally identifying information’
 20 means individually identifying information for or
 21 about an individual, including information likely to
 22 disclose the location of a victim of domestic violence,
 23 dating violence, sexual assault, or stalking, includ-
 24 ing—

25 “(A) a first and last name;

1 “(B) a home or other physical address;

2 “(C) contact information (including a post-
3 al, e-mail or Internet protocol address, or tele-
4 phone or facsimile number);

5 “(D) a social security number; and

6 “(E) any other information, including date
7 of birth, racial or ethnic background, or reli-
8 gious affiliation, that, in combination with any
9 other non-personally identifying information,
10 would serve to identify any individual.

11 “(17) PRIVATE NONPROFIT ORGANIZATION.—

12 The term ‘private nonprofit organization’ means an
13 organization—

14 “(A) no part of the net earnings of which
15 inures to the benefit of any member, founder,
16 contributor, or individual;

17 “(B) that has a voluntary board;

18 “(C) that has an accounting system, or has
19 designated a fiscal agent in accordance with re-
20 quirements established by the Secretary; and

21 “(D) that practices nondiscrimination in
22 the provision of assistance.

23 “(18) PROJECT.—The term ‘project’ means,
24 with respect to activities carried out under subtitle
25 C, eligible activities described in section 423(a), un-

1 dertaken pursuant to a specific endeavor, such as
 2 serving a particular population or providing a par-
 3 ticular resource.

4 “(19) PROJECT-BASED.—The term ‘project-
 5 based’ means, with respect to rental assistance, that
 6 the assistance is provided pursuant to a contract
 7 that—

8 “(A) is between—

9 “(i) the recipient or a project sponsor;
 10 and

11 “(ii) an owner of a structure that ex-
 12 ists as of the date the contract is entered
 13 into; and

14 “(B) provides that rental assistance pay-
 15 ments shall be made to the owner and that the
 16 units in the structure shall be occupied by eligi-
 17 ble persons for not less than the term of the
 18 contract.

19 “(20) PROJECT SPONSOR.—The term ‘project
 20 sponsor’ means, with respect to proposed eligible ac-
 21 tivities, the organization directly responsible for car-
 22 rying out the proposed eligible activities.

23 “(21) RECIPIENT.—Except as used in subtitle
 24 B, the term ‘recipient’ means an eligible entity
 25 who—

1 “(A) submits an application for a grant
2 under section 422 that is approved by the Sec-
3 retary;

4 “(B) receives the grant directly from the
5 Secretary to support approved projects de-
6 scribed in the application; and

7 “(C)(i) serves as a project sponsor for the
8 projects; or

9 “(ii) awards the funds to project sponsors
10 to carry out the projects.

11 “(22) SECRETARY.—The term ‘Secretary’
12 means the Secretary of Housing and Urban Develop-
13 ment.

14 “(23) SERIOUS MENTAL ILLNESS.—The term
15 ‘serious mental illness’ means a severe and per-
16 sistent mental illness or emotional impairment that
17 seriously limits a person’s ability to live independ-
18 ently.

19 “(24) SOLO APPLICANT.—The term ‘solo appli-
20 cant’ means an entity that is an eligible entity, di-
21 rectly submits an application for a grant under sub-
22 title C to the Secretary, and, if awarded such grant,
23 receives such grant directly from the Secretary.

24 “(25) SPONSOR-BASED.—The term ‘sponsor-
25 based’ means, with respect to rental assistance, that

1 the assistance is provided pursuant to a contract
 2 that—

3 “(A) is between—

4 “(i) the recipient or a project sponsor;

5 and

6 “(ii) an independent entity that—

7 “(I) is a private organization;

8 and

9 “(II) owns or leases dwelling
 10 units; and

11 “(B) provides that rental assistance pay-
 12 ments shall be made to the independent entity
 13 and that eligible persons shall occupy such as-
 14 sisted units.

15 “(26) STATE.—Except as used in subtitle B,
 16 the term ‘State’ means each of the several States,
 17 the District of Columbia, the Commonwealth of
 18 Puerto Rico, the United States Virgin Islands,
 19 Guam, American Samoa, the Commonwealth of the
 20 Northern Mariana Islands, the Trust Territory of
 21 the Pacific Islands, and any other territory or pos-
 22 session of the United States.

23 “(27) SUPPORTIVE SERVICES.—The term ‘sup-
 24 portive services’ means services that address the spe-
 25 cial needs of people served by a project, including—

1 “(A) the establishment and operation of a
2 child care services program for families experi-
3 encing homelessness;

4 “(B) the establishment and operation of an
5 employment assistance program, including pro-
6 viding job training;

7 “(C) the provision of outpatient health
8 services, food, and case management;

9 “(D) the provision of assistance in obtain-
10 ing permanent housing, employment counseling,
11 and nutritional counseling;

12 “(E) the provision of outreach services, ad-
13 vocacy, life skills training, and housing search
14 and counseling services;

15 “(F) the provision of mental health serv-
16 ices, trauma counseling, and victim services;

17 “(G) the provision of assistance in obtain-
18 ing other Federal, State, and local assistance
19 available for residents of supportive housing
20 (including mental health benefits, employment
21 counseling, and medical assistance, but not in-
22 cluding major medical equipment);

23 “(H) the provision of legal services for
24 purposes including requesting reconsiderations
25 and appeals of veterans and public benefit claim

1 denials and resolving outstanding warrants that
 2 interfere with an individual's ability to obtain
 3 and retain housing;

4 “(I) the provision of—

5 “(i) transportation services that facili-
 6 tate an individual's ability to obtain and
 7 maintain employment; and

8 “(ii) health care; and

9 “(J) other supportive services necessary to
 10 obtain and maintain housing.

11 “(28) TENANT-BASED.—The term ‘tenant-
 12 based’ means, with respect to rental assistance, as-
 13 sistance that—

14 “(A) allows an eligible person to select a
 15 housing unit in which such person will live
 16 using rental assistance provided under subtitle
 17 C, except that if necessary to assure that the
 18 provision of supportive services to a person par-
 19 ticipating in a program is feasible, a recipient
 20 or project sponsor may require that the person
 21 live—

22 “(i) in a particular structure or unit
 23 for not more than the first year of the par-
 24 ticipation;

1 “(ii) within a particular geographic
 2 area for the full period of the participation,
 3 or the period remaining after the period
 4 referred to in subparagraph (A); and

5 “(B) provides that a person may receive
 6 such assistance and move to another structure,
 7 unit, or geographic area if the person has com-
 8 plied with all other obligations of the program
 9 and has moved out of the assisted dwelling unit
 10 in order to protect the health or safety of an in-
 11 dividual who is or has been the victim of domes-
 12 tic violence, dating violence, sexual assault, or
 13 stalking, and who reasonably believed he or she
 14 was imminently threatened by harm from fur-
 15 ther violence if he or she remained in the as-
 16 sisted dwelling unit.

17 “(29) TRANSITIONAL HOUSING.—The term
 18 ‘transitional housing’ means housing the purpose of
 19 which is to facilitate the movement of individuals
 20 and families experiencing homelessness to permanent
 21 housing within 24 months or such longer period as
 22 the Secretary determines necessary.

23 “(30) UNIFIED FUNDING AGENCY.—The term
 24 ‘unified funding agency’ means a collaborative appli-

1 cant that performs the duties described in section
2 402(g).

3 “(31) UNDERSERVED POPULATIONS.—The
4 term ‘underserved populations’ includes populations
5 underserved because of geographic location, under-
6 served racial and ethnic populations, populations un-
7 derserved because of special needs (such as language
8 barriers, disabilities, alienage status, or age), and
9 any other population determined to be underserved
10 by the Secretary, as appropriate.

11 “(32) VICTIM SERVICE PROVIDER.—The term
12 ‘victim service provider’ means a private nonprofit
13 organization whose primary mission is to provide
14 services to victims of domestic violence, dating vio-
15 lence, sexual assault, or stalking. Such term includes
16 rape crisis centers, battered women’s shelters, do-
17 mestic violence transitional housing programs, and
18 other programs.

19 “(33) VICTIM SERVICES.—The term ‘victim
20 services’ means services that assist domestic vio-
21 lence, dating violence, sexual assault, or stalking vic-
22 tims, including services offered by rape crisis centers
23 and domestic violence shelters, and other organiza-
24 tions, with a documented history of effective work

1 concerning domestic violence, dating violence, sexual
 2 assault, or stalking.”.

3 **SEC. 1102. COMMUNITY HOMELESS ASSISTANCE PLANNING**
 4 **BOARDS.**

5 Subtitle A of title IV of the McKinney-Vento Home-
 6 less Assistance Act (42 U.S.C. 11361 et seq.) is amended
 7 by inserting after section 401 (as added by section
 8 1101(3) of this division) the following new section:

9 **“SEC. 402. COLLABORATIVE APPLICANTS.**

10 “(a) ESTABLISHMENT AND DESIGNATION.—A col-
 11 laborative applicant shall be established for a geographic
 12 area by the relevant parties in that geographic area to—

13 “(1) submit an application for amounts under
 14 this subtitle; and

15 “(2) perform the duties specified in subsection
 16 (f) and, if applicable, subsection (g).

17 “(b) NO REQUIREMENT TO BE A LEGAL ENTITY.—
 18 An entity may be established to serve as a collaborative
 19 applicant under this section without being a legal entity.

20 “(c) REMEDIAL ACTION.—If the Secretary finds that
 21 a collaborative applicant for a geographic area does not
 22 meet the requirements of this section, or if there is no
 23 collaborative applicant for a geographic area, the Sec-
 24 retary may take remedial action to ensure fair distribution
 25 of grant amounts under subtitle C to eligible entities with-

1 in that area. Such measures may include designating an-
 2 other body as a collaborative applicant, or permitting
 3 other eligible entities to apply directly for grants.

4 “(d) CONSTRUCTION.—Nothing in this section shall
 5 be construed to displace conflict of interest or government
 6 fair practices laws, or their equivalent, that govern appli-
 7 cants for grant amounts under subtitles B and C.

8 “(e) APPOINTMENT OF AGENT.—

9 “(1) IN GENERAL.—Subject to paragraph (2), a
 10 collaborative applicant may designate an agent to—

11 “(A) apply for a grant under section
 12 422(c);

13 “(B) receive and distribute grant funds
 14 awarded under subtitle C; and

15 “(C) perform other administrative duties.

16 “(2) RETENTION OF DUTIES.—Any collabo-
 17 rative applicant that designates an agent pursuant
 18 to paragraph (1) shall regardless of such designation
 19 retain all of its duties and responsibilities under this
 20 title.

21 “(f) DUTIES.—A collaborative applicant shall—

22 “(1) design a collaborative process for the de-
 23 velopment of an application under subtitle C, and
 24 for evaluating the outcomes of projects for which
 25 funds are awarded under subtitle B, in such a man-

1 ner as to provide information necessary for the Sec-
2 retary—

3 “(A) to determine compliance with—

4 “(i) the program requirements under
5 section 426; and

6 “(ii) the selection criteria described
7 under section 427; and

8 “(B) to establish priorities for funding
9 projects in the geographic area involved;

10 “(2) participate in the Consolidated Plan for
11 the geographic area served by the collaborative ap-
12 plicant; and

13 “(3) ensure operation of, and consistent partici-
14 pation by, project sponsors in a community-wide
15 homeless management information system (in this
16 subsection referred to as ‘HMIS’) that—

17 “(A) collects unduplicated counts of indi-
18 viduals and families experiencing homelessness;

19 “(B) analyzes patterns of use of assistance
20 provided under subtitles B and C for the geo-
21 graphic area involved;

22 “(C) provides information to project spon-
23 sors and applicants for needs analyses and
24 funding priorities; and

1 “(D) is developed in accordance with
 2 standards established by the Secretary, includ-
 3 ing standards that provide for—

4 “(i) encryption of data collected for
 5 purposes of HMIS;

6 “(ii) documentation, including keeping
 7 an accurate accounting, proper usage, and
 8 disclosure, of HMIS data;

9 “(iii) access to HMIS data by staff,
 10 contractors, law enforcement, and aca-
 11 demic researchers;

12 “(iv) rights of persons receiving serv-
 13 ices under this title;

14 “(v) criminal and civil penalties for
 15 unlawful disclosure of data; and

16 “(vi) such other standards as may be
 17 determined necessary by the Secretary.

18 “(g) UNIFIED FUNDING.—

19 “(1) IN GENERAL.—In addition to the duties
 20 described in subsection (f), a collaborative applicant
 21 shall receive from the Secretary and distribute to
 22 other project sponsors in the applicable geographic
 23 area funds for projects to be carried out by such
 24 other project sponsors, if—

25 “(A) the collaborative applicant—

1 “(i) applies to undertake such collec-
 2 tion and distribution responsibilities in an
 3 application submitted under this subtitle;
 4 and

5 “(ii) is selected to perform such re-
 6 sponsibilities by the Secretary; or

7 “(B) the Secretary designates the collabo-
 8 rative applicant as the unified funding agency
 9 in the geographic area, after—

10 “(i) a finding by the Secretary that
 11 the applicant—

12 “(I) has the capacity to perform
 13 such responsibilities; and

14 “(II) would serve the purposes of
 15 this Act as they apply to the geo-
 16 graphic area; and

17 “(ii) the Secretary provides the col-
 18 laborative applicant with the technical as-
 19 sistance necessary to perform such respon-
 20 sibilities as such assistance is agreed to by
 21 the collaborative applicant.

22 “(2) REQUIRED ACTIONS BY A UNIFIED FUND-
 23 ING AGENCY.—A collaborative applicant that is ei-
 24 ther selected or designated as a unified funding

1 agency for a geographic area under paragraph (1)
2 shall—

3 “(A) require each project sponsor who is
4 funded by a grant received under subtitle C to
5 establish such fiscal control and fund account-
6 ing procedures as may be necessary to assure
7 the proper disbursal of, and accounting for,
8 Federal funds awarded to the project sponsor
9 under subtitle C in order to ensure that all fi-
10 nancial transactions carried out under subtitle
11 C are conducted, and records maintained, in ac-
12 cordance with generally accepted accounting
13 principles; and

14 “(B) arrange for an annual survey, audit,
15 or evaluation of the financial records of each
16 project carried out by a project sponsor funded
17 by a grant received under subtitle C.

18 “(h) CONFLICT OF INTEREST.—No board member of
19 a collaborative applicant may participate in decisions of
20 the collaborative applicant concerning the award of a
21 grant, or provision of other financial benefits, to such
22 member or the organization that such member rep-
23 resents.”.

1 **SEC. 1103. GENERAL PROVISIONS.**

2 Subtitle A of the McKinney-Vento Homeless Assist-
 3 ance Act (42 U.S.C. 11361 et seq.) is amended by insert-
 4 ing after section 403 (as so redesignated by section
 5 1101(2) of this division) the following new sections:

6 **“SEC. 404. PREVENTING INVOLUNTARY FAMILY SEPARA-**
 7 **TION.**

8 “(a) IN GENERAL.—After the expiration of the 2-
 9 year period that begins upon the date of the enactment
 10 of the Homeless Emergency Assistance and Rapid Transi-
 11 tion to Housing Act of 2009, and except as provided in
 12 subsection (b), any project sponsor receiving funds under
 13 this title to provide emergency shelter, transitional hous-
 14 ing, or permanent housing to families with children under
 15 age 18 shall not deny admission to any family based on
 16 the age of any child under age 18.

17 “(b) EXCEPTION.—Notwithstanding the requirement
 18 under subsection (a), project sponsors of transitional
 19 housing receiving funds under this title may target transi-
 20 tional housing resources to families with children of a spe-
 21 cific age only if the project sponsor—

22 “(1) operates a transitional housing program
 23 that has a primary purpose of implementing an evi-
 24 dence-based practice that requires that housing units
 25 be targeted to families with children in a specific age
 26 group; and

1 “(2) provides such assurances, as the Secretary
 2 shall require, that an equivalent appropriate alter-
 3 native living arrangement for the whole family or
 4 household unit has been secured.

5 **“SEC. 405. TECHNICAL ASSISTANCE.**

6 “(a) IN GENERAL.—The Secretary shall make avail-
 7 able technical assistance to private nonprofit organizations
 8 and other nongovernmental entities, States, metropolitan
 9 cities, urban counties, and counties that are not urban
 10 counties, to implement effective planning processes for
 11 preventing and ending homelessness, to improve their ca-
 12 pacity to prepare collaborative applications, to prevent the
 13 separation of families in emergency shelter or other hous-
 14 ing programs, and to adopt and provide best practices in
 15 housing and services for persons experiencing homeless.

16 “(b) RESERVATION.—The Secretary shall reserve not
 17 more than 1 percent of the funds made available for any
 18 fiscal year for carrying out subtitles B and C, to provide
 19 technical assistance under subsection (a).”.

20 **SEC. 1104. PROTECTION OF PERSONALLY IDENTIFYING IN-**
 21 **FORMATION BY VICTIM SERVICE PROVIDERS.**

22 Subtitle A of the McKinney-Vento Homeless Assist-
 23 ance Act (42 U.S.C. 11361 et seq.), as amended by the
 24 preceding provisions of this title, is further amended by
 25 adding at the end the following new section:

1 **“SEC. 407. PROTECTION OF PERSONALLY IDENTIFYING IN-**
 2 **FORMATION BY VICTIM SERVICE PROVIDERS.**

3 “In the course of awarding grants or implementing
 4 programs under this title, the Secretary shall instruct any
 5 victim service provider that is a recipient or subgrantee
 6 not to disclose for purposes of the Homeless Management
 7 Information System any personally identifying informa-
 8 tion about any client. The Secretary may, after public no-
 9 tice and comment, require or ask such recipients and sub-
 10 grantees to disclose for purposes of the Homeless Manage-
 11 ment Information System non-personally identifying infor-
 12 mation that has been de-identified, encrypted, or otherwise
 13 encoded. Nothing in this section shall be construed to su-
 14 percede any provision of any Federal, State, or local law
 15 that provides greater protection than this subsection for
 16 victims of domestic violence, dating violence, sexual as-
 17 sault, or stalking.”.

18 **SEC. 1105. AUTHORIZATION OF APPROPRIATIONS.**

19 Subtitle A of the McKinney-Vento Homeless Assist-
 20 ance Act (42 U.S.C. 11361 et seq.), as amended by the
 21 preceding provisions of this title, is further amended by
 22 adding at the end the following new section:

23 **“SEC. 408. AUTHORIZATION OF APPROPRIATIONS.**

24 “There are authorized to be appropriated to carry out
 25 this title \$2,200,000,000 for fiscal year 2010 and such
 26 sums as may be necessary for fiscal year 2011.”.

1 **TITLE II—EMERGENCY**
 2 **SOLUTIONS GRANTS PROGRAM**

3 **SEC. 1201. GRANT ASSISTANCE.**

4 Subtitle B of title IV of the McKinney-Vento Home-
 5 less Assistance Act (42 U.S.C. 11371 et seq.) is amend-
 6 ed—

7 (1) by striking the subtitle heading and insert-
 8 ing the following:

9 **“Subtitle B—Emergency Solutions**
 10 **Grants Program”;**

11 (2) by striking section 417 (42 U.S.C. 11377);

12 (3) by redesignating sections 413 through 416
 13 (42 U.S.C. 11373–6) as sections 414 through 417,
 14 respectively; and

15 (4) by striking section 412 (42 U.S.C. 11372)
 16 and inserting the following:

17 **“SEC. 412. GRANT ASSISTANCE.**

18 “The Secretary shall make grants to States and local
 19 governments (and to private nonprofit organizations pro-
 20 viding assistance to persons experiencing homelessness or
 21 at risk of homelessness, in the case of grants made with
 22 reallocated amounts) for the purpose of carrying out ac-
 23 tivities described in section 415.

1 **“SEC. 413. AMOUNT AND ALLOCATION OF ASSISTANCE.**

2 “(a) IN GENERAL.—Of the amount made available
3 to carry out this subtitle and subtitle C for a fiscal year,
4 the Secretary shall allocate nationally 20 percent of such
5 amount for activities described in section 415. The Sec-
6 retary shall be required to certify that such allocation will
7 not adversely affect the renewal of existing projects under
8 this subtitle and subtitle C for those individuals or families
9 who are homeless.

10 “(b) ALLOCATION.—An entity that receives a grant
11 under section 412, and serves an area that includes 1 or
12 more geographic areas (or portions of such areas) served
13 by collaborative applicants that submit applications under
14 subtitle C, shall allocate the funds made available through
15 the grant to carry out activities described in section 415,
16 in consultation with the collaborative applicants.”; and

17 (5) in section 414(b) (42 U.S.C. 11373(b)), as
18 so redesignated by paragraph (3) of this section, by
19 striking “amounts appropriated” and all that follows
20 through “for any” and inserting “amounts appro-
21 priated under section 408 and made available to
22 carry out this subtitle for any”.

23 **SEC. 1202. ELIGIBLE ACTIVITIES.**

24 The McKinney-Vento Homeless Assistance Act is
25 amended by striking section 415 (42 U.S.C. 11374), as

1 so redesignated by section 1201(3) of this division, and
 2 inserting the following new section:

3 **“SEC. 415. ELIGIBLE ACTIVITIES.**

4 “(a) IN GENERAL.—Assistance provided under sec-
 5 tion 412 may be used for the following activities:

6 “(1) The renovation, major rehabilitation, or
 7 conversion of buildings to be used as emergency
 8 shelters.

9 “(2) The provision of essential services related
 10 to emergency shelter or street outreach, including
 11 services concerned with employment, health, edu-
 12 cation, family support services for homeless youth,
 13 substance abuse services, victim services, or mental
 14 health services, if—

15 “(A) such essential services have not been
 16 provided by the local government during any
 17 part of the immediately preceding 12-month pe-
 18 riod or the Secretary determines that the local
 19 government is in a severe financial deficit; or

20 “(B) the use of assistance under this sub-
 21 title would complement the provision of those
 22 essential services.

23 “(3) Maintenance, operation, insurance, provi-
 24 sion of utilities, and provision of furnishings related
 25 to emergency shelter.

1 “(4) Provision of rental assistance to provide
 2 short-term or medium-term housing to homeless in-
 3 dividuals or families or individuals or families at risk
 4 of homelessness. Such rental assistance may include
 5 tenant-based or project-based rental assistance.

6 “(5) Housing relocation or stabilization services
 7 for homeless individuals or families or individuals or
 8 families at risk of homelessness, including housing
 9 search, mediation or outreach to property owners,
 10 legal services, credit repair, providing security or
 11 utility deposits, utility payments, rental assistance
 12 for a final month at a location, assistance with mov-
 13 ing costs, or other activities that are effective at—

14 “(A) stabilizing individuals and families in
 15 their current housing; or

16 “(B) quickly moving such individuals and
 17 families to other permanent housing.

18 “(b) MAXIMUM ALLOCATION FOR EMERGENCY
 19 SHELTER ACTIVITIES.—A grantee of assistance provided
 20 under section 412 for any fiscal year may not use an
 21 amount of such assistance for activities described in para-
 22 graphs (1) through (3) of subsection (a) that exceeds the
 23 greater of—

1 “(1) 60 percent of the aggregate amount of
2 such assistance provided for the grantee for such fis-
3 cal year; or

4 “(2) the amount expended by such grantee for
5 such activities during fiscal year most recently com-
6 pleted before the effective date under section 1503
7 of the Homeless Emergency Assistance and Rapid
8 Transition to Housing Act of 2009.”.

9 **SEC. 1203. PARTICIPATION IN HOMELESS MANAGEMENT IN-**
10 **FORMATION SYSTEM.**

11 Section 416 of the McKinney-Vento Homeless Assist-
12 ance Act (42 U.S.C. 11375), as so redesignated by section
13 1201(3) of this division, is amended by adding at the end
14 the following new subsection:

15 “(f) PARTICIPATION IN HMIS.—The Secretary shall
16 ensure that recipients of funds under this subtitle ensure
17 the consistent participation by emergency shelters and
18 homelessness prevention and rehousing programs in any
19 applicable community-wide homeless management infor-
20 mation system.”.

21 **SEC. 1204. ADMINISTRATIVE PROVISION.**

22 Section 418 of the McKinney-Vento Homeless Assist-
23 ance Act (42 U.S.C. 11378) is amended by striking “5
24 percent” and inserting “7.5 percent”.

1 **SEC. 1205. GAO STUDY OF ADMINISTRATIVE FEES.**

2 Not later than the expiration of the 12-month period
3 beginning on the date of the enactment of this division,
4 the Comptroller General of the United States shall—

5 (1) conduct a study to examine the appropriate
6 administrative costs for administering the program
7 authorized under subtitle B of title IV of the McKin-
8 ney-Vento Homeless Assistance Act (42 U.S.C.
9 11371 et seq.); and

10 (2) submit to Congress a report on the findings
11 of the study required under paragraph (1).

12 **TITLE III—CONTINUUM OF CARE**
13 **PROGRAM**

14 **SEC. 1301. CONTINUUM OF CARE.**

15 The McKinney-Vento Homeless Assistance Act is
16 amended—

17 (1) by striking the subtitle heading for subtitle
18 C of title IV (42 U.S.C. 11381 et seq.) and inserting
19 the following:

20 **“Subtitle C—Continuum of Care**
21 **Program”; and**

22 (2) by striking sections 421 and 422 (42 U.S.C.
23 11381 and 11382) and inserting the following new
24 sections:

25 **“SEC. 421. PURPOSES.**

26 **“The purposes of this subtitle are—**

1 “(1) to promote community-wide commitment
2 to the goal of ending homelessness;

3 “(2) to provide funding for efforts by nonprofit
4 providers and State and local governments to quickly
5 rehouse homeless individuals and families while
6 minimizing the trauma and dislocation caused to in-
7 dividuals, families, and communities by homeless-
8 ness;

9 “(3) to promote access to, and effective utiliza-
10 tion of, mainstream programs described in section
11 203(a)(7) and programs funded with State or local
12 resources; and

13 “(4) to optimize self-sufficiency among individ-
14 uals and families experiencing homelessness.

15 **“SEC. 422. CONTINUUM OF CARE APPLICATIONS AND**
16 **GRANTS.**

17 “(a) PROJECTS.—The Secretary shall award grants,
18 on a competitive basis, and using the selection criteria de-
19 scribed in section 427, to carry out eligible activities under
20 this subtitle for projects that meet the program require-
21 ments under section 426, either by directly awarding
22 funds to project sponsors or by awarding funds to unified
23 funding agencies.

24 “(b) NOTIFICATION OF FUNDING AVAILABILITY.—
25 The Secretary shall release a notification of funding avail-

1 ability for grants awarded under this subtitle for a fiscal
 2 year not later than 3 months after the date of the enact-
 3 ment of the appropriate Act making appropriations for the
 4 Department of Housing and Urban Development for such
 5 fiscal year.

6 “(c) APPLICATIONS.—

7 “(1) SUBMISSION TO THE SECRETARY.—To be
 8 eligible to receive a grant under subsection (a), a
 9 project sponsor or unified funding agency in a geo-
 10 graphic area shall submit an application to the Sec-
 11 retary at such time and in such manner as the Sec-
 12 retary may require, and containing such information
 13 as the Secretary determines necessary—

14 “(A) to determine compliance with the pro-
 15 gram requirements and selection criteria under
 16 this subtitle; and

17 “(B) to establish priorities for funding
 18 projects in the geographic area.

19 “(2) ANNOUNCEMENT OF AWARDS.—

20 “(A) IN GENERAL.—Except as provided in
 21 subparagraph (B), the Secretary shall an-
 22 nounce, within 5 months after the last date for
 23 the submission of applications described in this
 24 subsection for a fiscal year, the grants condi-

tionally awarded under subsection (a) for that
fiscal year.

“(B) TRANSITION.—For a period of up to
2 years beginning after the effective date under
section 1503 of the Homeless Emergency As-
sistance and Rapid Transition to Housing Act
of 2009, the Secretary shall announce, within 6
months after the last date for the submission of
applications described in this subsection for a
fiscal year, the grants conditionally awarded
under subsection (a) for that fiscal year.

“(d) OBLIGATION, DISTRIBUTION, AND UTILIZATION
OF FUNDS.—

“(1) REQUIREMENTS FOR OBLIGATION.—

“(A) IN GENERAL.—Not later than 9
months after the announcement referred to in
subsection (c)(2), each recipient or project
sponsor shall meet all requirements for the obli-
gation of those funds, including site control,
matching funds, and environmental review re-
quirements, except as provided in subpara-
graphs (B) and (C).

“(B) ACQUISITION, REHABILITATION, OR
CONSTRUCTION.—Not later than 24 months
after the announcement referred to in sub-

1 section (c)(2), each recipient or project sponsor
2 seeking the obligation of funds for acquisition
3 of housing, rehabilitation of housing, or con-
4 struction of new housing for a grant announced
5 under subsection (c)(2) shall meet all require-
6 ments for the obligation of those funds, includ-
7 ing site control, matching funds, and environ-
8 mental review requirements.

9 “(C) EXTENSIONS.—At the discretion of
10 the Secretary, and in compelling circumstances,
11 the Secretary may extend the date by which a
12 recipient or project sponsor shall meet the re-
13 quirements described in subparagraphs (A) and
14 (B) if the Secretary determines that compliance
15 with the requirements was delayed due to fac-
16 tors beyond the reasonable control of the recipi-
17 ent or project sponsor. Such factors may in-
18 clude difficulties in obtaining site control for a
19 proposed project, completing the process of ob-
20 taining secure financing for the project, obtain-
21 ing approvals from State or local governments,
22 or completing the technical submission require-
23 ments for the project.

24 “(2) OBLIGATION.—Not later than 45 days
25 after a recipient or project sponsor meets the re-

1 requirements described in paragraph (1), the Sec-
2 retary shall obligate the funds for the grant involved.

3 “(3) DISTRIBUTION.—A recipient that receives
4 funds through such a grant—

5 “(A) shall distribute the funds to project
6 sponsors (in advance of expenditures by the
7 project sponsors); and

8 “(B) shall distribute the appropriate por-
9 tion of the funds to a project sponsor not later
10 than 45 days after receiving a request for such
11 distribution from the project sponsor.

12 “(4) EXPENDITURE OF FUNDS.—The Secretary
13 may establish a date by which funds made available
14 through a grant announced under subsection (c)(2)
15 for a homeless assistance project shall be entirely ex-
16 pended by the recipient or project sponsors involved.
17 The date established under this paragraph shall not
18 occur before the expiration of the 24-month period
19 beginning on the date that funds are obligated for
20 activities described under paragraphs (1) or (2) of
21 section 423(a). The Secretary shall recapture the
22 funds not expended by such date. The Secretary
23 shall reallocate the funds for another homeless as-
24 sistance and prevention project that meets the re-
25 quirements of this subtitle to be carried out, if pos-

1 sible and appropriate, in the same geographic area
2 as the area served through the original grant.

3 “(e) RENEWAL FUNDING FOR UNSUCCESSFUL AP-
4 PLICANTS.—The Secretary may renew funding for a spe-
5 cific project previously funded under this subtitle that the
6 Secretary determines meets the purposes of this subtitle,
7 and was included as part of a total application that met
8 the criteria of subsection (c), even if the application was
9 not selected to receive grant assistance. The Secretary
10 may renew the funding for a period of not more than 1
11 year, and under such conditions as the Secretary deter-
12 mines to be appropriate.

13 “(f) CONSIDERATIONS IN DETERMINING RENEWAL
14 FUNDING.—When providing renewal funding for leasing,
15 operating costs, or rental assistance for permanent hous-
16 ing, the Secretary shall make adjustments proportional to
17 increases in the fair market rents in the geographic area.

18 “(g) MORE THAN 1 APPLICATION FOR A GEO-
19 GRAPHIC AREA.—If more than 1 collaborative applicant
20 applies for funds for a geographic area, the Secretary shall
21 award funds to the collaborative applicant with the highest
22 score based on the selection criteria set forth in section
23 427.

24 “(h) APPEALS.—

1 “(1) IN GENERAL.—The Secretary shall estab-
2 lish a timely appeal procedure for grant amounts
3 awarded or denied under this subtitle pursuant to a
4 collaborative application or solo application for fund-
5 ing.

6 “(2) PROCESS.—The Secretary shall ensure
7 that the procedure permits appeals submitted by en-
8 tities carrying out homeless housing and services
9 projects (including emergency shelters and homeless-
10 ness prevention programs), and all other applicants
11 under this subtitle.

12 “(i) SOLO APPLICANTS.—A solo applicant may sub-
13 mit an application to the Secretary for a grant under sub-
14 section (a) and be awarded such grant on the same basis
15 as such grants are awarded to other applicants based on
16 the criteria described in section 427, but only if the Sec-
17 retary determines that the solo applicant has attempted
18 to participate in the continuum of care process but was
19 not permitted to participate in a reasonable manner. The
20 Secretary may award such grants directly to such appli-
21 cants in a manner determined to be appropriate by the
22 Secretary.

23 “(j) FLEXIBILITY TO SERVE PERSONS DEFINED AS
24 HOMELESS UNDER OTHER FEDERAL LAWS.—

1 “(1) IN GENERAL.—A collaborative applicant
 2 may use not more than 10 percent of funds awarded
 3 under this subtitle (continuum of care funding) for
 4 any of the types of eligible activities specified in
 5 paragraphs (1) through (7) of section 423(a) to
 6 serve families with children and youth defined as
 7 homeless under other Federal statutes, or homeless
 8 families with children and youth defined as homeless
 9 under section 103(a)(6), but only if the applicant
 10 demonstrates that the use of such funds is of an
 11 equal or greater priority or is equally or more cost
 12 effective in meeting the overall goals and objectives
 13 of the plan submitted under section 427(b)(1)(B),
 14 especially with respect to children and unaccom-
 15 panied youth.

16 “(2) LIMITATIONS.—The 10 percent limitation
 17 under paragraph (1) shall not apply to collaborative
 18 applicants in which the rate of homelessness, as cal-
 19 culated in the most recent point in time count, is
 20 less than one-tenth of 1 percent of total population.

21 “(3) TREATMENT OF CERTAIN POPULATIONS.—

22 “(A) IN GENERAL.—Notwithstanding sec-
 23 tion 103(a) and subject to subparagraph (B),
 24 funds awarded under this subtitle may be used
 25 for eligible activities to serve unaccompanied

youth and homeless families and children defined as homeless under section 103(a)(6) only pursuant to paragraph (1) of this subsection and such families and children shall not otherwise be considered as homeless for purposes of this subtitle.

“(B) AT RISK OF HOMELESSNESS.—Subparagraph (A) may not be construed to prevent any unaccompanied youth and homeless families and children defined as homeless under section 103(a)(6) from qualifying for, and being treated for purposes of this subtitle as, at risk of homelessness or from eligibility for any projects, activities, or services carried out using amounts provided under this subtitle for which individuals or families that are at risk of homelessness are eligible.”.

SEC. 1302. ELIGIBLE ACTIVITIES.

The McKinney-Vento Homeless Assistance Act is amended by striking section 423 (42 U.S.C. 11383) and inserting the following new section:

“SEC. 423. ELIGIBLE ACTIVITIES.

“(a) IN GENERAL.—Grants awarded under section 422 to qualified applicants shall be used to carry out

1 projects that serve homeless individuals or families that
2 consist of one or more of the following eligible activities:

3 “(1) Construction of new housing units to pro-
4 vide transitional or permanent housing.

5 “(2) Acquisition or rehabilitation of a structure
6 to provide transitional or permanent housing, other
7 than emergency shelter, or to provide supportive
8 services.

9 “(3) Leasing of property, or portions of prop-
10 erty, not owned by the recipient or project sponsor
11 involved, for use in providing transitional or perma-
12 nent housing, or providing supportive services.

13 “(4) Provision of rental assistance to provide
14 transitional or permanent housing to eligible per-
15 sons. The rental assistance may include tenant-
16 based, project-based, or sponsor-based rental assist-
17 ance. Project-based rental assistance, sponsor-based
18 rental assistance, and operating cost assistance con-
19 tracts carried out by project sponsors receiving
20 grants under this section may, at the discretion of
21 the applicant and the project sponsor, have an initial
22 term of 15 years, with assistance for the first 5
23 years paid with funds authorized for appropriation
24 under this Act, and assistance for the remainder of
25 the term treated as a renewal of an expiring con-

1 tract as provided in section 429. Project-based rent-
2 al assistance may include rental assistance to pre-
3 serve existing permanent supportive housing for
4 homeless individuals and families.

5 “(5) Payment of operating costs for housing
6 units assisted under this subtitle or for the preserva-
7 tion of housing that will serve homeless individuals
8 and families and for which another form of assist-
9 ance is expiring or otherwise no longer available.

10 “(6) Supportive services for individuals and
11 families who are currently homeless, who have been
12 homeless in the prior six months but are currently
13 residing in permanent housing, or who were pre-
14 viously homeless and are currently residing in per-
15 manent supportive housing.

16 “(7) Provision of rehousing services, including
17 housing search, mediation or outreach to property
18 owners, credit repair, providing security or utility
19 deposits, rental assistance for a final month at a lo-
20 cation, assistance with moving costs, or other activi-
21 ties that—

22 “(A) are effective at moving homeless indi-
23 viduals and families immediately into housing;
24 or

1 “(B) may benefit individuals and families
2 who in the prior 6 months have been homeless,
3 but are currently residing in permanent hous-
4 ing.

5 “(8) In the case of a collaborative applicant
6 that is a legal entity, performance of the duties de-
7 scribed under section 402(f)(3).

8 “(9) Operation of, participation in, and ensur-
9 ing consistent participation by project sponsors in, a
10 community-wide homeless management information
11 system.

12 “(10) In the case of a collaborative applicant
13 that is a legal entity, payment of administrative
14 costs related to meeting the requirements described
15 in paragraphs (1) and (2) of section 402(f), for
16 which the collaborative applicant may use not more
17 than 3 percent of the total funds made available in
18 the geographic area under this subtitle for such
19 costs.

20 “(11) In the case of a collaborative applicant
21 that is a unified funding agency under section
22 402(g), payment of administrative costs related to
23 meeting the requirements of that section, for which
24 the unified funding agency may use not more than
25 3 percent of the total funds made available in the

1 geographic area under this subtitle for such costs, in
 2 addition to funds used under paragraph (10).

3 “(12) Payment of administrative costs to
 4 project sponsors, for which each project sponsor may
 5 use not more than 10 percent of the total funds
 6 made available to that project sponsor through this
 7 subtitle for such costs.

8 “(b) MINIMUM GRANT TERMS.—The Secretary may
 9 impose minimum grant terms of up to 5 years for new
 10 projects providing permanent housing.

11 “(c) USE RESTRICTIONS.—

12 “(1) ACQUISITION, REHABILITATION, AND NEW
 13 CONSTRUCTION.—A project that consists of activities
 14 described in paragraph (1) or (2) of subsection (a)
 15 shall be operated for the purpose specified in the ap-
 16 plication submitted for the project under section 422
 17 for not less than 15 years.

18 “(2) OTHER ACTIVITIES.—A project that con-
 19 sists of activities described in any of paragraphs (3)
 20 through (12) of subsection (a) shall be operated for
 21 the purpose specified in the application submitted
 22 for the project under section 422 for the duration of
 23 the grant period involved.

24 “(3) CONVERSION.—If the recipient or project
 25 sponsor carrying out a project that provides transi-

1 tional or permanent housing submits a request to
 2 the Secretary to carry out instead a project for the
 3 direct benefit of low-income persons, and the Sec-
 4 retary determines that the initial project is no longer
 5 needed to provide transitional or permanent housing,
 6 the Secretary may approve the project described in
 7 the request and authorize the recipient or project
 8 sponsor to carry out that project.

9 “(d) REPAYMENT OF ASSISTANCE AND PREVENTION
 10 OF UNDUE BENEFITS.—

11 “(1) REPAYMENT.—If a recipient or project
 12 sponsor receives assistance under section 422 to
 13 carry out a project that consists of activities de-
 14 scribed in paragraph (1) or (2) of subsection (a) and
 15 the project ceases to provide transitional or perma-
 16 nent housing—

17 “(A) earlier than 10 years after operation
 18 of the project begins, the Secretary shall re-
 19 quire the recipient or project sponsor to repay
 20 100 percent of the assistance; or

21 “(B) not earlier than 10 years, but earlier
 22 than 15 years, after operation of the project be-
 23 gins, the Secretary shall require the recipient or
 24 project sponsor to repay 20 percent of the as-
 25 sistance for each of the years in the 15-year pe-

1 riod for which the project fails to provide that
2 housing.

3 “(2) PREVENTION OF UNDUE BENEFITS.—Ex-
4 cept as provided in paragraph (3), if any property
5 is used for a project that receives assistance under
6 subsection (a) and consists of activities described in
7 paragraph (1) or (2) of subsection (a), and the sale
8 or other disposition of the property occurs before the
9 expiration of the 15-year period beginning on the
10 date that operation of the project begins, the recipi-
11 ent or project sponsor who received the assistance
12 shall comply with such terms and conditions as the
13 Secretary may prescribe to prevent the recipient or
14 project sponsor from unduly benefitting from such
15 sale or disposition.

16 “(3) EXCEPTION.—A recipient or project spon-
17 sor shall not be required to make the repayments,
18 and comply with the terms and conditions, required
19 under paragraph (1) or (2) if—

20 “(A) the sale or disposition of the property
21 used for the project results in the use of the
22 property for the direct benefit of very low-in-
23 come persons;

24 “(B) all of the proceeds of the sale or dis-
25 position are used to provide transitional or per-

1 manent housing meeting the requirements of
2 this subtitle;

3 “(C) project-based rental assistance or op-
4 erating cost assistance from any Federal pro-
5 gram or an equivalent State or local program is
6 no longer made available and the project is
7 meeting applicable performance standards, pro-
8 vided that the portion of the project that had
9 benefitted from such assistance continues to
10 meet the tenant income and rent restrictions for
11 low-income units under section 42(g) of the In-
12 ternal Revenue Code of 1986; or

13 “(D) there are no individuals and families
14 in the geographic area who are homeless, in
15 which case the project may serve individuals
16 and families at risk of homelessness.

17 “(e) STAFF TRAINING.—The Secretary may allow
18 reasonable costs associated with staff training to be in-
19 cluded as part of the activities described in subsection (a).

20 “(f) ELIGIBILITY FOR PERMANENT HOUSING.—Any
21 project that receives assistance under subsection (a) and
22 that provides project-based or sponsor-based permanent
23 housing for homeless individuals or families with a dis-
24 ability, including projects that meet the requirements of
25 subsection (a) and subsection (d)(2)(A) of section 428

1 may also serve individuals who had previously met the re-
 2 quirements for such project prior to moving into a dif-
 3 ferent permanent housing project.

4 “(g) ADMINISTRATION OF RENTAL ASSISTANCE.—
 5 Provision of permanent housing rental assistance shall be
 6 administered by a State, unit of general local government,
 7 or public housing agency.”.

8 **SEC. 1303. HIGH PERFORMING COMMUNITIES.**

9 The McKinney-Vento Homeless Assistance Act is
 10 amended by striking section 424 (42 U.S.C. 11384) and
 11 inserting the following:

12 **“SEC. 424. INCENTIVES FOR HIGH-PERFORMING COMMU-**
 13 **NITIES.**

14 “(a) DESIGNATION AS A HIGH-PERFORMING COMMU-
 15 NITY.—

16 “(1) IN GENERAL.—The Secretary shall des-
 17 ignate, on an annual basis, which collaborative appli-
 18 cants represent high-performing communities.

19 “(2) CONSIDERATION.—In determining whether
 20 to designate a collaborative applicant as a high-per-
 21 forming community under paragraph (1), the Sec-
 22 retary shall establish criteria to ensure that the re-
 23 quirements described under paragraphs (1)(B) and
 24 (2)(B) of subsection (d) are measured by comparing
 25 homeless individuals and families under similar cir-

1 cumstances, in order to encourage projects in the ge-
2 ographic area to serve homeless individuals and fam-
3 ilies with more severe barriers to housing stability.

4 “(3) 2-YEAR PHASE IN.—In each of the first 2
5 years after the effective date under section 1503 of
6 the Homeless Emergency Assistance and Rapid
7 Transition to Housing Act of 2009, the Secretary
8 shall designate not more than 10 collaborative appli-
9 cants as high-performing communities.

10 “(4) EXCESS OF QUALIFIED APPLICANTS.—If,
11 during the 2-year period described under paragraph
12 (2), more than 10 collaborative applicants could
13 qualify to be designated as high-performing commu-
14 nities, the Secretary shall designate the 10 that
15 have, in the discretion of the Secretary, the best per-
16 formance based on the criteria described under sub-
17 section (d).

18 “(5) TIME LIMIT ON DESIGNATION.—The des-
19 ignation of any collaborative applicant as a high-per-
20 forming community under this subsection shall be
21 effective only for the year in which such designation
22 is made. The Secretary, on an annual basis, may
23 renew any such designation.

24 “(b) APPLICATION.—

1 “(1) IN GENERAL.—A collaborative applicant
 2 seeking designation as a high-performing community
 3 under subsection (a) shall submit an application to
 4 the Secretary at such time, and in such manner as
 5 the Secretary may require.

6 “(2) CONTENT OF APPLICATION.—In any appli-
 7 cation submitted under paragraph (1), a collabo-
 8 rative applicant shall include in such application—

9 “(A) a report showing how any money re-
 10 ceived under this subtitle in the preceding year
 11 was expended; and

12 “(B) information that such applicant can
 13 meet the requirements described under sub-
 14 section (d).

15 “(3) PUBLICATION OF APPLICATION.—The Sec-
 16 retary shall—

17 “(A) publish any report or information
 18 submitted in an application under this section
 19 in the geographic area represented by the col-
 20 laborative applicant; and

21 “(B) seek comments from the public as to
 22 whether the collaborative applicant seeking des-
 23 ignation as a high-performing community meets
 24 the requirements described under subsection
 25 (d).

1 “(c) USE OF FUNDS.—Funds awarded under section
2 422(a) to a project sponsor who is located in a high-per-
3 forming community may be used—

4 “(1) for any of the eligible activities described
5 in section 423; or

6 “(2) for any of the eligible activities described
7 in paragraphs (4) and (5) of section 415(a).

8 “(d) DEFINITION OF HIGH-PERFORMING COMMU-
9 NITY.—For purposes of this section, the term ‘high-per-
10 forming community’ means a geographic area that dem-
11 onstrates through reliable data that all five of the fol-
12 lowing requirements are met for that geographic area:

13 “(1) TERM OF HOMELESSNESS.—The mean
14 length of episodes of homelessness for that geo-
15 graphic area—

16 “(A) is less than 20 days; or

17 “(B) for individuals and families in similar
18 circumstances in the preceding year was at
19 least 10 percent less than in the year before.

20 “(2) FAMILIES LEAVING HOMELESSNESS.—Of
21 individuals and families—

22 “(A) who leave homelessness, fewer than 5
23 percent of such individuals and families become
24 homeless again at any time within the next 2
25 years; or

1 “(B) in similar circumstances who leave
 2 homelessness, the percentage of such individ-
 3 uals and families who become homeless again
 4 within the next 2 years has decreased by at
 5 least 20 percent from the preceding year.

6 “(3) COMMUNITY ACTION.—The communities
 7 that compose the geographic area have—

8 “(A) actively encouraged homeless individ-
 9 uals and families to participate in homeless as-
 10 sistance services available in that geographic
 11 area; and

12 “(B) included each homeless individual or
 13 family who sought homeless assistance services
 14 in the data system used by that community for
 15 determining compliance with this subsection.

16 “(4) EFFECTIVENESS OF PREVIOUS ACTIVI-
 17 TIES.—If recipients in the geographic area have
 18 used funding awarded under section 422(a) for eligi-
 19 ble activities described under section 415(a) in pre-
 20 vious years based on the authority granted under
 21 subsection (c), that such activities were effective at
 22 reducing the number of individuals and families who
 23 became homeless in that community.

24 “(5) FLEXIBILITY TO SERVE PERSONS DEFINED
 25 AS HOMELESS UNDER OTHER FEDERAL LAWS.—

1 With respect to collaborative applicants exercising
 2 the authority under section 422(j) to serve homeless
 3 families with children and youth defined as homeless
 4 under other Federal statutes, effectiveness in achiev-
 5 ing the goals and outcomes identified in subsection
 6 427(b)(1)(F) according to such standards as the
 7 Secretary shall promulgate.

8 “(e) COOPERATION AMONG ENTITIES.—A collabo-
 9 rative applicant designated as a high-performing commu-
 10 nity under this section shall cooperate with the Secretary
 11 in distributing information about successful efforts within
 12 the geographic area represented by the collaborative appli-
 13 cant to reduce homelessness.”.

14 **SEC. 1304. PROGRAM REQUIREMENTS.**

15 Section 426 of the McKinney-Vento Homeless Assist-
 16 ance Act (42 U.S.C. 11386) is amended—

17 (1) by striking subsections (a), (b), and (c) and
 18 inserting the following:

19 “(a) SITE CONTROL.—The Secretary shall require
 20 that each application include reasonable assurances that
 21 the applicant will own or have control of a site for the
 22 proposed project not later than the expiration of the 12-
 23 month period beginning upon notification of an award for
 24 grant assistance, unless the application proposes providing
 25 supportive housing assistance under section 423(a)(3) or

1 housing that will eventually be owned or controlled by the
2 families and individuals served. An applicant may obtain
3 ownership or control of a suitable site different from the
4 site specified in the application. If any recipient or project
5 sponsor fails to obtain ownership or control of the site
6 within 12 months after notification of an award for grant
7 assistance, the grant shall be recaptured and reallocated
8 under this subtitle.

9 “(b) REQUIRED AGREEMENTS.—The Secretary may
10 not provide assistance for a proposed project under this
11 subtitle unless the collaborative applicant involved
12 agrees—

13 “(1) to ensure the operation of the project in
14 accordance with the provisions of this subtitle;

15 “(2) to monitor and report to the Secretary the
16 progress of the project;

17 “(3) to ensure, to the maximum extent prac-
18 ticable, that individuals and families experiencing
19 homelessness are involved, through employment, pro-
20 vision of volunteer services, or otherwise, in con-
21 structing, rehabilitating, maintaining, and operating
22 facilities for the project and in providing supportive
23 services for the project;

24 “(4) to require certification from all project
25 sponsors that—

1 “(A) they will maintain the confidentiality
2 of records pertaining to any individual or family
3 provided family violence prevention or treat-
4 ment services through the project;

5 “(B) that the address or location of any
6 family violence shelter project assisted under
7 this subtitle will not be made public, except
8 with written authorization of the person respon-
9 sible for the operation of such project;

10 “(C) they will establish policies and prac-
11 tices that are consistent with, and do not re-
12 strict the exercise of rights provided by, subtitle
13 B of title VII, and other laws relating to the
14 provision of educational and related services to
15 individuals and families experiencing homeless-
16 ness;

17 “(D) in the case of programs that provide
18 housing or services to families, they will des-
19 ignate a staff person to be responsible for en-
20 suring that children being served in the pro-
21 gram are enrolled in school and connected to
22 appropriate services in the community, includ-
23 ing early childhood programs such as Head
24 Start, part C of the Individuals with Disabil-
25 ities Education Act, and programs authorized

1 under subtitle B of title VII of this Act(42
2 U.S.C. 11431 et seq.); and

3 “(E) they will provide data and reports as
4 required by the Secretary pursuant to the Act;

5 “(5) if a collaborative applicant is a unified
6 funding agency under section 402(g) and receives
7 funds under subtitle C to carry out the payment of
8 administrative costs described in section 423(a)(11),
9 to establish such fiscal control and fund accounting
10 procedures as may be necessary to assure the proper
11 disbursement of, and accounting for, such funds in order
12 to ensure that all financial transactions carried out
13 with such funds are conducted, and records main-
14 tained, in accordance with generally accepted ac-
15 counting principles;

16 “(6) to monitor and report to the Secretary the
17 provision of matching funds as required by section
18 430;

19 “(7) to take the educational needs of children
20 into account when families are placed in emergency
21 or transitional shelter and will, to the maximum ex-
22 tent practicable, place families with children as close
23 as possible to their school of origin so as not to dis-
24 rupt such children’s education; and

1 “(8) to comply with such other terms and con-
 2 ditions as the Secretary may establish to carry out
 3 this subtitle in an effective and efficient manner.”;

4 (2) by redesignating subsection (d) as sub-
 5 section (c);

6 (3) in the first sentence of subsection (c) (as so
 7 redesignated by paragraph (2) of this subsection), by
 8 striking “recipient” and inserting “recipient or
 9 project sponsor”;

10 (4) by striking subsection (e);

11 (5) by redesignating subsections (f), (g), and
 12 (h), as subsections (d), (e), and (f), respectively;

13 (6) in the first sentence of subsection (e) (as so
 14 redesignated by paragraph (5) of this section), by
 15 striking “recipient” each place it appears and insert-
 16 ing “recipient or project sponsor”;

17 (7) by striking subsection (i); and

18 (8) by redesignating subsection (j) as sub-
 19 section (g).

20 **SEC. 1305. SELECTION CRITERIA, ALLOCATION AMOUNTS,**
 21 **AND FUNDING.**

22 The McKinney-Vento Homeless Assistance Act is
 23 amended—

24 (1) by repealing section 429 (42 U.S.C. 11389);

25 and

1 (2) by redesignating sections 427 and 428 (42
2 U.S.C. 11387, 11388) as sections 432 and 433, re-
3 spectively; and

4 (3) by inserting after section 426 the following
5 new sections:

6 **“SEC. 427. SELECTION CRITERIA.**

7 “(a) IN GENERAL.—The Secretary shall award funds
8 to recipients through a national competition between geo-
9 graphic areas based on criteria established by the Sec-
10 retary.

11 “(b) REQUIRED CRITERIA.—

12 “(1) IN GENERAL.—The criteria established
13 under subsection (a) shall include—

14 “(A) the previous performance of the re-
15 cipient regarding homelessness, including per-
16 formance related to funds provided under sec-
17 tion 412 (except that recipients applying from
18 geographic areas where no funds have been
19 awarded under this subtitle, or under subtitles
20 C, D, E, or F of title IV of this Act, as in effect
21 prior to the date of the enactment of the Home-
22 less Emergency Assistance and Rapid Transi-
23 tion to Housing Act of 2009, shall receive full
24 credit for performance under this subpara-
25 graph), measured by criteria that shall be an-

1 nounced by the Secretary, that shall take into
 2 account barriers faced by individual homeless
 3 people, and that shall include—

4 “(i) the length of time individuals and
 5 families remain homeless;

6 “(ii) the extent to which individuals
 7 and families who leave homelessness expe-
 8 rience additional spells of homelessness;

9 “(iii) the thoroughness of grantees in
 10 the geographic area in reaching homeless
 11 individuals and families;

12 “(iv) overall reduction in the number
 13 of homeless individuals and families;

14 “(v) jobs and income growth for
 15 homeless individuals and families;

16 “(vi) success at reducing the number
 17 of individuals and families who become
 18 homeless;

19 “(vii) other accomplishments by the
 20 recipient related to reducing homelessness;
 21 and

22 “(viii) for collaborative applicants that
 23 have exercised the authority under section
 24 422(j) to serve families with children and
 25 youth defined as homeless under other

1 Federal statutes, success in achieving the
2 goals and outcomes identified in section
3 427(b)(1)(F);

4 “(B) the plan of the recipient, which shall
5 describe—

6 “(i) how the number of individuals
7 and families who become homeless will be
8 reduced in the community;

9 “(ii) how the length of time that indi-
10 viduals and families remain homeless will
11 be reduced;

12 “(iii) how the recipient will collaborate
13 with local education authorities to assist in
14 the identification of individuals and fami-
15 lies who become or remain homeless and
16 are informed of their eligibility for services
17 under subtitle B of title VII of this Act
18 (42 U.S.C. 11431 et seq.);

19 “(iv) the extent to which the recipient
20 will—

21 “(I) address the needs of all rel-
22 evant subpopulations;

23 “(II) incorporate comprehensive
24 strategies for reducing homelessness,

1 including the interventions referred to
 2 in section 428(d);

3 “(III) set quantifiable perform-
 4 ance measures;

5 “(IV) set timelines for completion
 6 of specific tasks;

7 “(V) identify specific funding
 8 sources for planned activities; and

9 “(VI) identify an individual or
 10 body responsible for overseeing imple-
 11 mentation of specific strategies; and

12 “(v) whether the recipient proposes to
 13 exercise authority to use funds under sec-
 14 tion 422(j), and if so, how the recipient
 15 will achieve the goals and outcomes identi-
 16 fied in section 427(b)(1)(F);

17 “(C) the methodology of the recipient used
 18 to determine the priority for funding local
 19 projects under section 422(c)(1), including the
 20 extent to which the priority-setting process—

21 “(i) uses periodically collected infor-
 22 mation and analysis to determine the ex-
 23 tent to which each project has resulted in
 24 rapid return to permanent housing for
 25 those served by the project, taking into ac-

1 count the severity of barriers faced by the
2 people the project serves;

3 “(ii) considers the full range of opin-
4 ions from individuals or entities with
5 knowledge of homelessness in the geo-
6 graphic area or an interest in preventing
7 or ending homelessness in the geographic
8 area;

9 “(iii) is based on objective criteria
10 that have been publicly announced by the
11 recipient; and

12 “(iv) is open to proposals from enti-
13 ties that have not previously received funds
14 under this subtitle;

15 “(D) the extent to which the amount of as-
16 sistance to be provided under this subtitle to
17 the recipient will be supplemented with re-
18 sources from other public and private sources,
19 including mainstream programs identified by
20 the Government Accountability Office in the
21 two reports described in section 203(a)(7);

22 “(E) demonstrated coordination by the re-
23 cipient with the other Federal, State, local, pri-
24 vate, and other entities serving individuals and
25 families experiencing homelessness and at risk

1 of homelessness in the planning and operation
 2 of projects;

3 “(F) for collaborative applicants exercising
 4 the authority under section 422(j) to serve
 5 homeless families with children and youth de-
 6 fined as homeless under other Federal statutes,
 7 program goals and outcomes, which shall in-
 8 clude—

9 “(i) preventing homelessness among
 10 the subset of such families with children
 11 and youth who are at highest risk of be-
 12 coming homeless, as such term is defined
 13 for purposes of this title; or

14 “(ii) achieving independent living in
 15 permanent housing among such families
 16 with children and youth, especially those
 17 who have a history of doubled-up and other
 18 temporary housing situations or are living
 19 in a temporary housing situation due to
 20 lack of available and appropriate emer-
 21 gency shelter, through the provision of eli-
 22 gible assistance that directly contributes to
 23 achieving such results including assistance
 24 to address chronic disabilities, chronic
 25 physical health or mental health condi-

tions, substance addiction, histories of domestic violence or childhood abuse, or multiple barriers to employment; and

“(G) such other factors as the Secretary determines to be appropriate to carry out this subtitle in an effective and efficient manner.

“(2) ADDITIONAL CRITERIA.—In addition to the criteria required under paragraph (1), the criteria established under paragraph (1) shall also include the need within the geographic area for homeless services, determined as follows and under the following conditions:

“(A) NOTICE.—The Secretary shall inform each collaborative applicant, at a time concurrent with the release of the notice of funding availability for the grants, of the pro rata estimated grant amount under this subtitle for the geographic area represented by the collaborative applicant.

“(B) AMOUNT.—

“(i) FORMULA.—Such estimated grant amounts shall be determined by a formula, which shall be developed by the Secretary, by regulation, not later than the expiration of the 2-year period beginning

1 upon the date of the enactment of the
 2 Homeless Emergency Assistance and
 3 Rapid Transition to Housing Act of 2009,
 4 that is based upon factors that are appro-
 5 priate to allocate funds to meet the goals
 6 and objectives of this subtitle.

7 “(ii) COMBINATIONS OR CON-
 8 SORTIA.—For a collaborative applicant
 9 that represents a combination or consor-
 10 tium of cities or counties, the estimated
 11 need amount shall be the sum of the esti-
 12 mated need amounts for the cities or coun-
 13 ties represented by the collaborative appli-
 14 cant.

15 “(iii) AUTHORITY OF SECRETARY.—
 16 Subject to the availability of appropria-
 17 tions, the Secretary shall increase the esti-
 18 mated need amount for a geographic area
 19 if necessary to provide 1 year of renewal
 20 funding for all expiring contracts entered
 21 into under this subtitle for the geographic
 22 area.

23 “(3) HOMELESSNESS COUNTS.—The Secretary
 24 shall not require that communities conduct an actual
 25 count of homeless people other than those described

1 in paragraphs (1) through (4) of section 103(a) of
 2 this Act (42 U.S.C. 11302(a)).

3 “(c) ADJUSTMENTS.—The Secretary may adjust the
 4 formula described in subsection (b)(2) as necessary—

5 “(1) to ensure that each collaborative applicant
 6 has sufficient funding to renew all qualified projects
 7 for at least one year; and

8 “(2) to ensure that collaborative applicants are
 9 not discouraged from replacing renewal projects with
 10 new projects that the collaborative applicant deter-
 11 mines will better be able to meet the purposes of this
 12 Act.

13 **“SEC. 428. ALLOCATION OF AMOUNTS AND INCENTIVES**
 14 **FOR SPECIFIC ELIGIBLE ACTIVITIES.**

15 “(a) MINIMUM ALLOCATION FOR PERMANENT HOUS-
 16 ING FOR HOMELESS INDIVIDUALS AND FAMILIES WITH
 17 DISABILITIES.—

18 “(1) IN GENERAL.—From the amounts made
 19 available to carry out this subtitle for a fiscal year,
 20 a portion equal to not less than 30 percent of the
 21 sums made available to carry out subtitle B and this
 22 subtitle, shall be used for permanent housing for
 23 homeless individuals with disabilities and homeless
 24 families that include such an individual who is an

1 adult or a minor head of household if no adult is
2 present in the household.

3 “(2) CALCULATION.—In calculating the portion
4 of the amount described in paragraph (1) that is
5 used for activities that are described in paragraph
6 (1), the Secretary shall not count funds made avail-
7 able to renew contracts for existing projects under
8 section 429.

9 “(3) ADJUSTMENT.—The 30 percent figure in
10 paragraph (1) shall be reduced proportionately based
11 on need under section 427(b)(2) in geographic areas
12 for which subsection (e) applies in regard to sub-
13 section (d)(2)(A).

14 “(4) SUSPENSION.—The requirement estab-
15 lished in paragraph (1) shall be suspended for any
16 year in which funding available for grants under this
17 subtitle after making the allocation established in
18 paragraph (1) would not be sufficient to renew for
19 1 year all existing grants that would otherwise be
20 fully funded under this subtitle.

21 “(5) TERMINATION.—The requirement estab-
22 lished in paragraph (1) shall terminate upon a find-
23 ing by the Secretary that since the beginning of
24 2001 at least 150,000 new units of permanent hous-

1 ing for homeless individuals and families with dis-
2 abilities have been funded under this subtitle.

3 “(b) SET-ASIDE FOR PERMANENT HOUSING FOR
4 HOMELESS FAMILIES WITH CHILDREN.—From the
5 amounts made available to carry out this subtitle for a
6 fiscal year, a portion equal to not less than 10 percent
7 of the sums made available to carry out subtitle B and
8 this subtitle for that fiscal year shall be used to provide
9 or secure permanent housing for homeless families with
10 children.

11 “(c) TREATMENT OF AMOUNTS FOR PERMANENT OR
12 TRANSITIONAL HOUSING.—Nothing in this Act may be
13 construed to establish a limit on the amount of funding
14 that an applicant may request under this subtitle for ac-
15 quisition, construction, or rehabilitation activities for the
16 development of permanent housing or transitional hous-
17 ing.

18 “(d) INCENTIVES FOR PROVEN STRATEGIES.—

19 “(1) IN GENERAL.—The Secretary shall provide
20 bonuses or other incentives to geographic areas for
21 using funding under this subtitle for activities that
22 have been proven to be effective at reducing home-
23 lessness generally, reducing homelessness for a spe-
24 cific subpopulation, or achieving homeless prevention

1 and independent living goals as set forth in section
2 427(b)(1)(F).

3 “(2) RULE OF CONSTRUCTION.—For purposes
4 of this subsection, activities that have been proven to
5 be effective at reducing homelessness generally or re-
6 ducing homelessness for a specific subpopulation in-
7 cludes—

8 “(A) permanent supportive housing for
9 chronically homeless individuals and families;

10 “(B) for homeless families, rapid rehousing
11 services, short-term flexible subsidies to over-
12 come barriers to rehousing, support services
13 concentrating on improving incomes to pay
14 rent, coupled with performance measures em-
15 phasizing rapid and permanent rehousing and
16 with leveraging funding from mainstream fam-
17 ily service systems such as Temporary Assist-
18 ance for Needy Families and Child Welfare
19 services; and

20 “(C) any other activity determined by the
21 Secretary, based on research and after notice
22 and comment to the public, to have been proven
23 effective at reducing homelessness generally, re-
24 ducing homelessness for a specific subpopula-
25 tion, or achieving homeless prevention and inde-

1 pendent living goals as set forth in section
2 427(b)(1)(F).

3 “(3) BALANCE OF INCENTIVES FOR PROVEN
4 STRATEGIES.—To the extent practicable, in pro-
5 viding bonuses or incentives for proven strategies,
6 the Secretary shall seek to maintain a balance
7 among strategies targeting homeless individuals,
8 families, and other subpopulations. The Secretary
9 shall not implement bonuses or incentives that spe-
10 cifically discourage collaborative applicants from ex-
11 ercising their flexibility to serve families with chil-
12 dren and youth defined as homeless under other
13 Federal statutes.

14 “(e) INCENTIVES FOR SUCCESSFUL IMPLEMENTA-
15 TION OF PROVEN STRATEGIES.—If any geographic area
16 demonstrates that it has fully implemented any of the ac-
17 tivities described in subsection (d) for all homeless individ-
18 uals and families or for all members of subpopulations for
19 whom such activities are targeted, that geographic area
20 shall receive the bonus or incentive provided under sub-
21 section (d), but may use such bonus or incentive for any
22 eligible activity under either section 423 or paragraphs (4)
23 and (5) of section 415(a) for homeless people generally
24 or for the relevant subpopulation.

1 **“SEC. 429. RENEWAL FUNDING AND TERMS OF ASSISTANCE**
2 **FOR PERMANENT HOUSING.**

3 “(a) IN GENERAL.—Renewal of expiring contracts
4 for leasing, rental assistance, or operating costs for per-
5 manent housing contracts may be funded either—

6 “(1) under the appropriations account for this
7 title; or

8 “(2) the section 8 project-based rental assist-
9 ance account.

10 “(b) RENEWALS.—The sums made available under
11 subsection (a) shall be available for the renewal of con-
12 tracts in the case of tenant-based assistance, successive
13 1-year terms, and in the case of project-based assistance,
14 successive terms of up to 15 years at the discretion of the
15 applicant or project sponsor and subject to the availability
16 of annual appropriations, for rental assistance and hous-
17 ing operation costs associated with permanent housing
18 projects funded under this subtitle, or under subtitle C
19 or F (as in effect on the day before the effective date of
20 the Homeless Emergency Assistance and Rapid Transition
21 to Housing Act of 2009). The Secretary shall determine
22 whether to renew a contract for such a permanent housing
23 project on the basis of certification by the collaborative
24 applicant for the geographic area that—

25 “(1) there is a demonstrated need for the
26 project; and

1 “(2) the project complies with program require-
 2 ments and appropriate standards of housing quality
 3 and habitability, as determined by the Secretary.

4 “(c) CONSTRUCTION.—Nothing in this section shall
 5 be construed as prohibiting the Secretary from renewing
 6 contracts under this subtitle in accordance with criteria
 7 set forth in a provision of this subtitle other than this sec-
 8 tion.

9 **“SEC. 430. MATCHING FUNDING.**

10 “(a) IN GENERAL.—A collaborative applicant in a ge-
 11 ographic area in which funds are awarded under this sub-
 12 title shall specify contributions from any source other than
 13 a grant awarded under this subtitle, including renewal
 14 funding of projects assisted under subtitles C, D, and F
 15 of this title as in effect before the effective date under
 16 section 1503 of the Homeless Emergency Assistance and
 17 Rapid Transition to Housing Act of 2009, that shall be
 18 made available in the geographic area in an amount equal
 19 to not less than 25 percent of the funds provided to recipi-
 20 ents in the geographic area, except that grants for leasing
 21 shall not be subject to any match requirement.

22 “(b) LIMITATIONS ON IN-KIND MATCH.—The cash
 23 value of services provided to the residents or clients of a
 24 project sponsor by an entity other than the project sponsor
 25 may count toward the contributions in subsection (a) only

1 when documented by a memorandum of understanding be-
 2 tween the project sponsor and the other entity that such
 3 services will be provided.

4 “(c) COUNTABLE ACTIVITIES.—The contributions re-
 5 quired under subsection (a) may consist of—

6 “(1) funding for any eligible activity described
 7 under section 423; and

8 “(2) subject to subsection (b), in-kind provision
 9 of services of any eligible activity described under
 10 section 423.

11 **“SEC. 431. APPEAL PROCEDURE.**

12 “(a) IN GENERAL.—With respect to funding under
 13 this subtitle, if certification of consistency with the consoli-
 14 dated plan pursuant to section 403 is withheld from an
 15 applicant who has submitted an application for that cer-
 16 tification, such applicant may appeal such decision to the
 17 Secretary.

18 “(b) PROCEDURE.—The Secretary shall establish a
 19 procedure to process the appeals described in subsection
 20 (a).

21 “(c) DETERMINATION.—Not later than 45 days after
 22 the date of receipt of an appeal described in subsection
 23 (a), the Secretary shall determine if certification was un-
 24 reasonably withheld. If such certification was unreason-
 25 ably withheld, the Secretary shall review such application

1 and determine if such applicant shall receive funding
2 under this subtitle.”.

3 **SEC. 1306. RESEARCH.**

4 There is authorized to be appropriated \$8,000,000,
5 for each of fiscal years 2010 and 2011, for research into
6 the efficacy of interventions for homeless families, to be
7 expended by the Secretary of Housing and Urban Develop-
8 ment over the 2 years at 3 different sites to provide serv-
9 ices for homeless families and evaluate the effectiveness
10 of such services.

11 **TITLE IV—RURAL HOUSING STA-**
12 **BILITY ASSISTANCE PRO-**
13 **GRAM**

14 **SEC. 1401. RURAL HOUSING STABILITY ASSISTANCE.**

15 Subtitle G of title IV of the McKinney-Vento Home-
16 less Assistance Act (42 U.S.C. 11408 et seq.) is amend-
17 ed—

18 (1) by striking the subtitle heading and insert-
19 ing the following:

20 **“Subtitle G—Rural Housing**
21 **Stability Assistance Program”;** and

22 (2) in section 491—

23 (A) by striking the section heading and in-
24 serting **“RURAL HOUSING STABILITY**
25 **GRANT PROGRAM.”;**

1 (B) in subsection (a)—

2 (i) by striking “rural homelessness
3 grant program” and inserting “rural hous-
4 ing stability grant program”;

5 (ii) by inserting “in lieu of grants
6 under subtitle C” after “eligible organiza-
7 tions”; and

8 (iii) by striking paragraphs (1), (2),
9 and (3), and inserting the following:

10 “(1) rehousing or improving the housing situa-
11 tions of individuals and families who are homeless or
12 in the worst housing situations in the geographic
13 area;

14 “(2) stabilizing the housing of individuals and
15 families who are in imminent danger of losing hous-
16 ing; and

17 “(3) improving the ability of the lowest-income
18 residents of the community to afford stable hous-
19 ing.”;

20 (C) in subsection (b)(1)—

21 (i) by redesignating subparagraphs
22 (E), (F), and (G) as subparagraphs (I),
23 (J), and (K), respectively; and

24 (ii) by striking subparagraph (D) and
25 inserting the following:

1 “(D) construction of new housing units to
2 provide transitional or permanent housing to
3 homeless individuals and families and individ-
4 uals and families at risk of homelessness;

5 “(E) acquisition or rehabilitation of a
6 structure to provide supportive services or to
7 provide transitional or permanent housing,
8 other than emergency shelter, to homeless indi-
9 viduals and families and individuals and fami-
10 lies at risk of homelessness;

11 “(F) leasing of property, or portions of
12 property, not owned by the recipient or project
13 sponsor involved, for use in providing transi-
14 tional or permanent housing to homeless indi-
15 viduals and families and individuals and fami-
16 lies at risk of homelessness, or providing sup-
17 portive services to such homeless and at-risk in-
18 dividuals and families;

19 “(G) provision of rental assistance to pro-
20 vide transitional or permanent housing to home-
21 less individuals and families and individuals and
22 families at risk of homelessness, such rental as-
23 sistance may include tenant-based or project-
24 based rental assistance;

1 “(H) payment of operating costs for hous-
 2 ing units assisted under this title;”;

3 (D) in subsection (b)(2), by striking “ap-
 4 propriated” and inserting “transferred”;

5 (E) in subsection (c)—

6 (i) in paragraph (1)(A), by striking
 7 “appropriated” and inserting “trans-
 8 ferred”; and

9 (ii) in paragraph (3), by striking “ap-
 10 propriated” and inserting “transferred”;

11 (F) in subsection (d)—

12 (i) in paragraph (5), by striking “;
 13 and” and inserting a semicolon;

14 (ii) in paragraph (6)—

15 (I) by striking “an agreement”
 16 and all that follows through “fami-
 17 lies” and inserting the following: “a
 18 description of how individuals and
 19 families who are homeless or who have
 20 the lowest incomes in the community
 21 will be involved by the organization”;
 22 and

23 (II) by striking the period at the
 24 end, and inserting a semicolon; and

1 (iii) by adding at the end the fol-
 2 lowing:

3 “(7) a description of consultations that took
 4 place within the community to ascertain the most
 5 important uses for funding under this section, in-
 6 cluding the involvement of potential beneficiaries of
 7 the project; and

8 “(8) a description of the extent and nature of
 9 homelessness and of the worst housing situations in
 10 the community.”;

11 (G) by striking subsections (f) and (g) and
 12 inserting the following:

13 “(f) MATCHING FUNDING.—

14 “(1) IN GENERAL.—An organization eligible to
 15 receive a grant under subsection (a) shall specify
 16 matching contributions from any source other than
 17 a grant awarded under this subtitle, that shall be
 18 made available in the geographic area in an amount
 19 equal to not less than 25 percent of the funds pro-
 20 vided for the project or activity, except that grants
 21 for leasing shall not be subject to any match require-
 22 ment.

23 “(2) LIMITATIONS ON IN-KIND MATCH.—The
 24 cash value of services provided to the beneficiaries or
 25 clients of an eligible organization by an entity other

1 than the organization may count toward the con-
 2 tributions in paragraph (1) only when documented
 3 by a memorandum of understanding between the or-
 4 ganization and the other entity that such services
 5 will be provided.

6 “(3) COUNTABLE ACTIVITIES.—The contribu-
 7 tions required under paragraph (1) may consist of—

8 “(A) funding for any eligible activity de-
 9 scribed under subsection (b); and

10 “(B) subject to paragraph (2), in-kind pro-
 11 vision of services of any eligible activity de-
 12 scribed under subsection (b).

13 “(g) SELECTION CRITERIA.—The Secretary shall es-
 14 tablish criteria for selecting recipients of grants under
 15 subsection (a), including—

16 “(1) the participation of potential beneficiaries
 17 of the project in assessing the need for, and impor-
 18 tance of, the project in the community;

19 “(2) the degree to which the project addresses
 20 the most harmful housing situations present in the
 21 community;

22 “(3) the degree of collaboration with others in
 23 the community to meet the goals described in sub-
 24 section (a);

1 “(4) the performance of the organization in im-
 2 proving housing situations, taking account of the se-
 3 verity of barriers of individuals and families served
 4 by the organization;

5 “(5) for organizations that have previously re-
 6 ceived funding under this section, the extent of im-
 7 provement in homelessness and the worst housing
 8 situations in the community since such funding
 9 began;

10 “(6) the need for such funds, as determined by
 11 the formula established under section 427(b)(2); and

12 “(7) any other relevant criteria as determined
 13 by the Secretary.”;

14 (H) in subsection (h)—

15 (i) in paragraph (1), in the matter
 16 preceding subparagraph (A), by striking
 17 “The” and inserting “Not later than 18
 18 months after funding is first made avail-
 19 able pursuant to the amendments made by
 20 title IV of the Homeless Emergency Assist-
 21 ance and Rapid Transition to Housing Act
 22 of 2009, the”; and

23 (ii) in paragraph (1)(A), by striking
 24 “providing housing and other assistance to

homeless persons” and inserting “meeting the goals described in subsection (a)”;

(iii) in paragraph (1)(B), by striking “address homelessness in rural areas” and inserting “meet the goals described in subsection (a) in rural areas”; and

(iv) in paragraph (2)—

(I) by striking “The” and inserting “Not later than 24 months after funding is first made available pursuant to the amendment made by title IV of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the”;

(II) by striking “, not later than 18 months after the date on which the Secretary first makes grants under the program,”; and

(III) by striking “prevent and respond to homelessness” and inserting “meet the goals described in subsection (a)”;

(I) in subsection (k)—

(i) in paragraph (1), by striking “rural homelessness grant program” and

1 inserting “rural housing stability grant
2 program”; and

3 (ii) in paragraph (2)—

4 (I) in subparagraph (A), by strik-
5 ing “; or” and inserting a semicolon;

6 (II) in subparagraph (B)(ii), by
7 striking “rural census tract.” and in-
8 serting “county where at least 75 per-
9 cent of the population is rural; or”;

10 and

11 (III) by adding at the end the
12 following:

13 “(C) any area or community, respectively,
14 located in a State that has population density
15 of less than 30 persons per square mile (as re-
16 ported in the most recent decennial census),
17 and of which at least 1.25 percent of the total
18 acreage of such State is under Federal jurisdic-
19 tion, provided that no metropolitan city (as
20 such term is defined in section 102 of the
21 Housing and Community Development Act of
22 1974) in such State is the sole beneficiary of
23 the grant amounts awarded under this sec-
24 tion.”;

25 (J) in subsection (l)—

1 (i) by striking the subsection heading
 2 and inserting “PROGRAM FUNDING.—”;
 3 and

4 (ii) by striking paragraph (1) and in-
 5 serting the following:

6 “(1) IN GENERAL.—The Secretary shall deter-
 7 mine the total amount of funding attributable under
 8 section 427(b)(2) to meet the needs of any geo-
 9 graphic area in the Nation that applies for funding
 10 under this section. The Secretary shall transfer any
 11 amounts determined under this subsection from the
 12 Community Homeless Assistance Program and con-
 13 solidate such transferred amounts for grants under
 14 this section, except that the Secretary shall transfer
 15 an amount not less than 5 percent of the amount
 16 available under subtitle C for grants under this sec-
 17 tion. Any amounts so transferred and not used for
 18 grants under this section due to an insufficient num-
 19 ber of applications shall be transferred to be used
 20 for grants under subtitle C.”; and

21 (K) by adding at the end the following:

22 “(m) DETERMINATION OF FUNDING SOURCE.—For
 23 any fiscal year, in addition to funds awarded under sub-
 24 title B, funds under this title to be used in a city or county

1 shall only be awarded under either subtitle C or subtitle
2 D.”.

3 **SEC. 1402. GAO STUDY OF HOMELESSNESS AND HOMELESS**
4 **ASSISTANCE IN RURAL AREAS.**

5 (a) STUDY AND REPORT.—Not later than the expira-
6 tion of the 12-month period beginning on the date of the
7 enactment of this division, the Comptroller General of the
8 United States shall conduct a study to examine homeless-
9 ness and homeless assistance in rural areas and rural com-
10 munities and submit a report to the Congress on the find-
11 ings and conclusion of the study. The report shall contain
12 the following matters:

13 (1) A general description of homelessness, in-
14 cluding the range of living situations among home-
15 less individuals and homeless families, in rural areas
16 and rural communities of the United States, includ-
17 ing tribal lands and colonias.

18 (2) An estimate of the incidence and prevalence
19 of homelessness among individuals and families in
20 rural areas and rural communities of the United
21 States.

22 (3) An estimate of the number of individuals
23 and families from rural areas and rural communities
24 who migrate annually to non-rural areas and non-
25 rural communities for homeless assistance.

1 (4) A description of barriers that individuals
2 and families in and from rural areas and rural com-
3 munities encounter when seeking to access homeless
4 assistance programs, and recommendations for re-
5 moving such barriers.

6 (5) A comparison of the rate of homelessness
7 among individuals and families in and from rural
8 areas and rural communities compared to the rate of
9 homelessness among individuals and families in and
10 from non-rural areas and non-rural communities.

11 (6) A general description of homeless assistance
12 for individuals and families in rural areas and rural
13 communities of the United States.

14 (7) A description of barriers that homeless as-
15 sistance providers serving rural areas and rural com-
16 munities encounter when seeking to access Federal
17 homeless assistance programs, and recommendations
18 for removing such barriers.

19 (8) An assessment of the type and amount of
20 Federal homeless assistance funds awarded to orga-
21 nizations serving rural areas and rural communities
22 and a determination as to whether such amount is
23 proportional to the distribution of homeless individ-
24 uals and families in and from rural areas and rural
25 communities compared to homeless individuals and

1 families in non-rural areas and non-rural commu-
2 nities.

3 (9) An assessment of the current roles of the
4 Department of Housing and Urban Development,
5 the Department of Agriculture, and other Federal
6 departments and agencies in administering homeless
7 assistance programs in rural areas and rural com-
8 munities and recommendations for distributing Fed-
9 eral responsibilities, including homeless assistance
10 program administration and grantmaking, among
11 the departments and agencies so that service organi-
12 zations in rural areas and rural communities are
13 most effectively reached and supported.

14 (b) ACQUISITION OF SUPPORTING INFORMATION.—
15 In carrying out the study under this section, the Comp-
16 troller General shall seek to obtain views from the fol-
17 lowing persons:

18 (1) The Secretary of Agriculture.

19 (2) The Secretary of Housing and Urban Devel-
20 opment.

21 (3) The Secretary of Health and Human Serv-
22 ices.

23 (4) The Secretary of Education.

24 (5) The Secretary of Labor.

25 (6) The Secretary of Veterans Affairs.

1 (7) The Executive Director of the United States
2 Interagency Council on Homelessness.

3 (8) Project sponsors and recipients of homeless
4 assistance grants serving rural areas and rural com-
5 munities.

6 (9) Individuals and families in or from rural
7 areas and rural communities who have sought or are
8 seeking Federal homeless assistance services.

9 (10) National advocacy organizations concerned
10 with homelessness, rural housing, and rural commu-
11 nity development.

12 (c) EFFECTIVE DATE.—This section shall take effect
13 on the date of the enactment of this division

14 **TITLE V—REPEALS AND** 15 **CONFORMING AMENDMENTS**

16 **SEC. 1501. REPEALS.**

17 Subtitles D, E, and F of title IV of the McKinney-
18 Vento Homeless Assistance Act (42 U.S.C. 11391 et seq.,
19 11401 et seq., and 11403 et seq.) are hereby repealed.

20 **SEC. 1502. CONFORMING AMENDMENTS.**

21 (a) CONSOLIDATED PLAN.—Section 403(1) of the
22 McKinney-Vento Homeless Assistance Act (as so redesign-
23 ated by section 1101(2) of this division), is amended—

24 (1) by striking “current housing affordability
25 strategy” and inserting “consolidated plan”; and

1 (2) by inserting before the comma the following:

2 “(referred to in such section as a ‘comprehensive
3 housing affordability strategy’)”.

4 (b) PERSONS EXPERIENCING HOMELESSNESS.—Sec-
5 tion 103 of the McKinney-Vento Homeless Assistance Act
6 (42 U.S.C. 11302), as amended by the preceding provi-
7 sions of this division, is further amended by adding at the
8 end the following new subsection:

9 “(e) PERSONS EXPERIENCING HOMELESSNESS.—
10 Any references in this Act to homeless individuals (includ-
11 ing homeless persons) or homeless groups (including
12 homeless persons) shall be considered to include, and to
13 refer to, individuals experiencing homelessness or groups
14 experiencing homelessness, respectively.”.

15 (c) RURAL HOUSING STABILITY ASSISTANCE.—Title
16 IV of the McKinney-Vento Homeless Assistance Act is
17 amended by redesignating subtitle G (42 U.S.C. 11408
18 et seq.), as amended by the preceding provisions of this
19 division, as subtitle D.

20 **SEC. 1503. EFFECTIVE DATE.**

21 Except as specifically provided otherwise in this divi-
22 sion, this division and the amendments made by this divi-
23 sion shall take effect on, and shall apply beginning on—

1 (1) the expiration of the 18-month period begin-
 2 ning on the date of the enactment of this division,
 3 or

4 (2) the expiration of the 3-month period begin-
 5 ning upon publication by the Secretary of Housing
 6 and Urban Development of final regulations pursu-
 7 ant to section 1504,
 8 whichever occurs first.

9 **SEC. 1504. REGULATIONS.**

10 (a) IN GENERAL.—Not later than 12 months after
 11 the date of the enactment of this division, the Secretary
 12 of Housing and Urban Development shall promulgate reg-
 13 ulations governing the operation of the programs that are
 14 created or modified by this division.

15 (b) EFFECTIVE DATE.—This section shall take effect
 16 on the date of the enactment of this division.

17 **SEC. 1505. AMENDMENT TO TABLE OF CONTENTS.**

18 The table of contents in section 101(b) of the McKin-
 19 ney-Vento Homeless Assistance Act (42 U.S.C. 11301
 20 note) is amended by striking the item relating to the head-
 21 ing for title IV and all that follows through the item relat-
 22 ing to section 492 and inserting the following new items:

“TITLE IV—HOUSING ASSISTANCE

“Subtitle A—General Provisions

“Sec. 401. Definitions.

“Sec. 402. Collaborative applicants.

“Sec. 403. Housing affordability strategy.

“Sec. 404. Preventing involuntary family separation

- “Sec. 405. Technical assistance.
- “Sec. 406. Discharge coordination policy.
- “Sec. 407. Protection of personally identifying information by victim service providers.
- “Sec. 408. Authorization of appropriations.

“Subtitle B—Emergency Solutions Grants Program

- “Sec. 411. Definitions.
- “Sec. 412. Grant assistance.
- “Sec. 413. Amount and allocation of assistance.
- “Sec. 414. Allocation and distribution of assistance.
- “Sec. 415. Eligible activities.
- “Sec. 416. Responsibilities of recipients.
- “Sec. 417. Administrative provisions.
- “Sec. 418. Administrative costs.

“Subtitle C—Continuum of Care Program

- “Sec. 421. Purposes.
- “Sec. 422. Continuum of care applications and grants.
- “Sec. 423. Eligible activities.
- “Sec. 424. Incentives for high-performing communities.
- “Sec. 425. Supportive services.
- “Sec. 426. Program requirements.
- “Sec. 427. Selection criteria.
- “Sec. 428. Allocation of amounts and incentives for specific eligible activities.
- “Sec. 429. Renewal funding and terms of assistance for permanent housing.
- “Sec. 430. Matching funding.
- “Sec. 431. Appeal procedure.
- “Sec. 432. Regulations.
- “Sec. 433. Reports to Congress.

“Subtitle D—Rural Housing Stability Assistance Program

- “Sec. 491. Rural housing stability assistance.
- “Sec. 492. Use of FHMA inventory for transitional housing for homeless persons and for turnkey housing.”.

Passed the Senate May 6, 2009.

Attest:

Secretary.

11TH CONGRESS
1ST SESSION

S. 896

AN ACT

To prevent mortgage foreclosures and enhance
mortgage credit availability.